
DEFENSE ENERGY SUPPORT CENTER
Utilities Privatization



Request for Proposal (RFP)
SP0600-04-R-0048

Fort Meade, Maryland
Water and Wastewater
Utility Distribution Systems

Issued:
April 6, 2004

Table of Contents

SOLICITATION/CONTRACT	1
SUPPLIES OR SERVICES AND PRICES/COSTS.....	1
B.1 CLAUSES AND PROVISIONS.....	1
B.2 GENERAL	1
B.3 SYSTEMS TO BE PRIVATIZED.....	1
B.4 PRICE PROPOSAL	2
<i>B.4.1 Regulated Tariff Rate Proposal.....</i>	<i>2</i>
<i>B.4.2 Firm Fixed Price Proposal.....</i>	<i>4</i>
<i>B.4.3 Fixed-Price Economic Price Adjustment Proposal.....</i>	<i>5</i>
<i>B.4.3 Fixed-Price Economic Price Adjustment Proposal.....</i>	<i>5</i>
<i>B.4.4 Fixed-Price with Prospective Price Redetermination Proposal.....</i>	<i>6</i>
B.5 SERVICE CHARGES FOR SCHEDULE B-1.....	7
<i>B.5.1 Sub-CLIN AA: Applicable Tariff(s).....</i>	<i>7</i>
<i>B.5.2 Sub-CLIN AB: Monthly Credit as Payment for Purchase Price.....</i>	<i>7</i>
<i>B.5.3 Sub-CLIN AC: Initial Capital Upgrades/Connection Charges</i>	<i>7</i>
<i>B.5.4 Sub-CLIN AD: Recoverable Portion of the Purchase Price.....</i>	<i>8</i>
B.6 SERVICE CHARGES FOR SCHEDULES B-2, B-3, AND B-4	8
B.7 PRICE SCHEDULE DATA SHEETS.....	10
<i>B.7.1 General.....</i>	<i>10</i>
<i>B.7.2 Schedule 1 – Fixed Monthly Charge</i>	<i>11</i>
<i>B.7.3 Schedule 2 – Renewals and Replacements – 50 YEAR SCHEDULE-.....</i>	<i>11</i>
<i>NOTE: OFFEROR SHALL LIST EACH PROJECT INDIVIDUALLY BY YEAR</i>	<i>11</i>
<i>B.7.4 Schedule 3 – Initial Capital Upgrade(s) / Connection Charge(s).....</i>	<i>11</i>
<i>B.7.5 Schedule 4 –Recoverable Portion of Purchase Price.....</i>	<i>12</i>
<i>B.7.6 Schedule 5 – Fixed Monthly Charge (Government Retained Infrastructure).....</i>	<i>12</i>
<i>B.7.7 Schedule 6 – Renewals and Replacements – 50 YEAR SCHEDULE (Government Retained Infrastructure)</i>	<i>12</i>
DESCRIPTION/SPECIFICATIONS/WORK STATEMENT	13
C.1 ORDER OF PRECEDENCE	13
C.2 SCOPE AND PURPOSE.....	13
<i>C.2.1 General</i>	<i>13</i>
<i>C.2.2 Privatization Guidance</i>	<i>13</i>
<i>C.2.3 Program Goal.....</i>	<i>13</i>
<i>C.2.4 Notices and Reservations</i>	<i>14</i>
C.2.4.1	14
C.2.4.2	14
<i>C.2.5 Utility Service Providers</i>	<i>14</i>
<i>C.2.6 Utility Systems.....</i>	<i>14</i>
C.2.6.1 Systems	14
<i>C.2.7 Current Service Arrangement</i>	<i>15</i>
C.3 REQUIREMENT.....	15
<i>C.3.1 Utility Service Requirement</i>	<i>15</i>
<i>C.3.2 Performance Standards.....</i>	<i>15</i>
<i>C.3.3 Metering.....</i>	<i>15</i>
C.3.3.1 Future Meters.....	16
<i>C.3.4 Energy and Water Efficiency and Conservation</i>	<i>16</i>
<i>C.3.5 Water Commodity Supply.....</i>	<i>16</i>
C.4 SERVICE AREA	16
<i>C.4.1 Temporary Connections</i>	<i>17</i>
<i>C.4.2 Use of Distribution Systems to Serve Areas Outside the Installation Service Area</i>	<i>17</i>

<i>C.4.3 Joint Use</i>	17
C.4.3.1 Government Use	17
C.4.3.2 Commercial Use.....	17
C.5 UTILITY SYSTEM OWNERSHIP, EMPLOYEES, AND SECURITY	18
<i>C.5.1 Utility System Ownership</i>	18
C.5.1.1 Transfer of Title	18
C.5.1.2 Tools, Vehicles, and Equipment	18
C.5.1.3 Placement of Utility System	18
C.5.1.4 Contractor Facilities.....	18
C.5.1.5 Record Drawings	18
C.5.1.6 Disposition of Removed or Salvaged Materials.....	19
<i>C.5.2 Employees</i>	19
C.5.2.1 Personnel Appearance and Identification.....	19
C.5.2.2 Employee Certification	19
C.5.2.3 Installation's Rules Apply to Contractor.....	19
C.5.2.4 National Agency Check	19
C.5.2.5 Controlled Access Areas.....	20
C.5.2.6 Conflict of Interest	20
<i>C.5.3 Contractor Vehicles</i>	20
<i>C.5.4 Contractor Radios</i>	20
C.6 ACCESS TO THE UTILITY SYSTEM.....	20
C.7 RESPONSE TO SERVICE INTERRUPTIONS AND CONTINGENCIES.....	20
C.8 REPAIR RESPONSE NOTIFICATION PROCEDURES	21
C.9 COORDINATION OF WORK.....	21
<i>C.9.1 Routine Work</i>	21
<i>C.9.2 Government Requests for Utility Service Interruption</i>	21
<i>C.9.3 Construction and Restoration of Site</i>	22
<i>C.9.4 Excavation Permits</i>	22
<i>C.9.5 Underground Utility Location</i>	22
<i>C.9.6 Working Hours</i>	22
<i>C.9.7 Coordination Meetings</i>	22
<i>C.9.8 Exercises and Crisis Situations Requiring Utility Support</i>	22
<i>C.9.9 Emergency Operation</i>	22
<i>C.9.10 Non Performance and Abandonment</i>	22
C.10 ENVIRONMENTAL COMPLIANCE.....	23
<i>C.10.1 Permit Compliance</i>	23
<i>C.10.2 Work in Environmentally Sensitive Areas</i>	23
<i>C.10.3 Environmental Impact Assessments</i>	23
<i>C.10.4 Spill Contingencies</i>	23
<i>C.10.5 Hazardous Material and Waste Minimization</i>	23
<i>C.10.6 Environmental Response</i>	23
C.11 UPGRADES AND RENEWALS AND REPLACEMENTS	24
<i>C.11.1 Equitable Adjustment</i>	24
<i>C.11.2 Capital Upgrades and Renewals and Replacements</i>	24
C.11.2.1 Initial Capital Upgrades	24
C.11.2.2 Future Capital Upgrades	24
C.11.2.3 Renewals and Replacements	24
C.11.2.4 Annual Capital Upgrades and Renewals and Replacements Plan	24
C.11.2.5 Capital Upgrades/Connection Charges	25
C.11.2.6 Renewals and Replacements	25
C.11.2.7 Requirements and Standards.....	25
C.11.2.8 Connections and Disconnections	25
C.12 OPERATIONS AND MAINTENANCE/QUALITY MANAGEMENT	25
C.13 OPERATIONAL TRANSITION PLAN	26
C.14 HISTORICAL, ARCHITECTURAL, AND LANDSCAPING REQUIREMENTS	26

INSPECTION AND ACCEPTANCE.....	27
DELIVERIES OR PERFORMANCE	28
F.1 PLACE OF PERFORMANCE	28
F.2. CONTRACT TERM.....	28
F.3 COMMENCEMENT OF SERVICE	28
F.4 EXTENSION OF CONTRACT PERFORMANCE PERIOD	28
F.5 CLAUSES INCORPORATED BY REFERENCE	28
CONTRACT ADMINISTRATION DATA.....	29
G.1 DFARS 252.201-7000: CONTRACTING OFFICER'S REPRESENTATIVE (DEC 1991).....	29
G.2 SUBMISSION AND PAYMENT OF INVOICES	29
G.3 ACCOUNTING PROCEDURES	29
SPECIAL CONTRACT PROVISIONS	30
H.1 ARMED FORCES MOBILIZATION AND OTHER CONTINGENCIES	30
H.2 INSURANCE REQUIREMENTS	30
<i>H.2.1 Insurance Certificate</i>	<i>30</i>
<i>H.2.2 Types of Insurance.....</i>	<i>30</i>
H.2.2.1 General Liability	30
H.2.2.2 Automobile Liability	30
H.2.2.3 Workers' Compensation and Employer's Liability	30
<i>H.2.3 General.....</i>	<i>30</i>
<i>H.2.4. Self-Insurance.....</i>	<i>31</i>
H.3 AVAILABILITY OF FUNDS	32
H.4 CATASTROPHIC LOSS	32
H.5 NOTIFICATION OF INFRASTRUCTURE/SERVICE CONTRACT TRANSFER	32
H.6 FOREIGN OBJECT DAMAGE PREVENTION PROGRAM	32
H.7 HAZARDOUS SUBSTANCES	33
H.8 CONTRIBUTION IN AID OF CONSTRUCTION (CIAC) TAX LIABILITY.....	33
H.9 INTEREST ALLOWABILITY OF CAPITAL INVESTMENT	33
H.10 DIFFERING SITE CONDITIONS	33
52.236-2 -- Differing Site Conditions (Apr 1984)	33
H.11 ACCOUNTING FOR CAPITAL UPGRADES/PURCHASE PRICE	34
H.12 CAPITAL UPGRADES AS A RESULT OF CHANGE IN REQUIREMENTS	34
CONTRACT CLAUSES.....	35
I.1 FAR 52.252-2 CLAUSES INCORPORATED BY REFERENCE (FEB 1998).....	35
I.2 FAR CLAUSES INCORPORATED BY REFERENCE.....	35
<i>I.2.1 Disputes.....</i>	<i>38</i>
I.3 DFARS CLAUSES INCORPORATED BY REFERENCE	38
I.4 CLAUSES APPLICABLE TO ENTITIES SUBMITTING PRICES SET BY LAW OR REGULATION	39
I.5 CLAUSES NOT APPLICABLE TO ENTITIES SUBMITTING PRICES SET BY LAW OR REGULATION (INCORPORATED BY REFERENCE)	40
I.6 OTHER CLAUSES.....	40
<i>FAR 52.216-5: Price Redetermination – Prospective (Oct 1997)</i>	<i>40</i>
<i>FAR 52.222-42: Statement of Equivalent Rates for Federal Hires (May 1989).....</i>	<i>43</i>
LIST OF ATTACHMENTS	44
REPRESENTATIONS, CERTIFICATIONS, AND OTHER STATEMENTS OF OFFERORS	45
INSTRUCTIONS, CONDITIONS, AND NOTICES TO OFFERORS	59
L.1 52.252-1: SOLICITATION PROVISIONS INCORPORATED BY REFERENCE (IAW FAR 52.107[A])	59
L.2 OTHER SOLICITATION PROVISIONS.....	60

52.216-1 Type of Contract (Apr 1984) applies to non-regulated offers only	60
52.233-2 Service of Protest (Aug 1996)	60
L.2 INFORMATION TO OFFERORS	60
L.2.1 <i>General Information</i>	60
L.2.1.1 Contractor Selection	60
L.2.1.2 Offers for Multiple Systems	61
L.2.1.3 Point of Contact	61
L.2.1.4 Debriefings	61
L.2.1.5 Use of Non-Government Advisors	61
L.2.1.6 Site Visits	62
L.2.1.7 Technical Library	62
L.2.1.8 Proprietary Information	62
L.2.1.9 Period of Validity	62
L.2.2 <i>Notices and Reservations</i>	62
L.2.3 <i>Number of Awards</i>	62
L.2.4 <i>Applicable DLAD Provisions</i>	63
L.3 PROPOSAL PREPARATION INSTRUCTIONS – GENERAL	63
L.3.1 <i>Proposal Organization/Page Limits</i>	63
L.3.2 <i>Proposal Format</i>	63
L.3.3 <i>Distribution</i>	64
L.3.4 <i>Electronic Media</i>	64
L.3.5 <i>Pages and Typing</i>	64
L.3.6 <i>Information other than Cost or Pricing Data</i>	65
L.3.7 <i>Proposal Structure</i>	65
L.3.8 <i>Glossary of Abbreviations and Acronyms</i>	65
L.3.9 <i>Documents Incorporated by Reference</i>	65
L.3.10 <i>Proposal Revisions</i>	65
L.4 PROPOSAL PREPARATION INSTRUCTIONS – VOLUME I: TECHNICAL PROPOSAL	65
L.4.1 <i>Subfactor 1: Service Interruption/Contingency Plan</i>	66
L.4.2 <i>Subfactor 2: Operations and Maintenance/Quality Management Plan</i>	66
L.4.3 <i>Subfactor 3: Initial Capital Upgrades and Initial Renewals and Replacements Plan</i>	70
L.4.4 <i>Subfactor 4: Operational Transition Plan</i>	70
L.4.4.1 Performance Start Date	71
L.4.4.2 Connection Requirements	71
L.4.4.3 New Meter Requirements	71
L.4.4.4 Permits and Procedures	71
L.4.4.5 Inventory and Transfer Requirements	71
L.4.4.6 Initial Meter Readings	72
L.4.4.7 Authorized Personnel and Points of Contact	72
L.4.4.8 Integration of Installation Procedures	72
L.4.4.9 Subsequent Transitions	72
L.4.5 <i>Subfactor 5: Financial Strength</i>	72
L. 5 PROPOSAL PREPARATION INSTRUCTIONS – VOLUME II: PAST PERFORMANCE	73
L.6 PROPOSAL PREPARATION INSTRUCTIONS – VOLUME III - CONTRACT DOCUMENTATION	74
L.6.1 <i>Standard Form (SF) 33 & Representations and Certifications</i>	74
L.6.2 <i>Alternate Proposals and Exceptions to Terms and Conditions</i>	74
L.6.3 <i>Other Required Information</i>	75
L.6.3.1 Authorized Personnel	75
L.6.3.2 Subcontracting Plan (Large Businesses Only)	75
L.6.3.3 Socioeconomic Plan	75
L.7 PROPOSAL PREPARATION INSTRUCTIONS – VOLUME IV: PRICE PROPOSAL	76
L.7.1 <i>Submission of Certified Cost or Pricing Data</i>	76
L.7.2 <i>General</i>	76
L.7.3 <i>Accounting Systems</i>	76
L.7.4 <i>Organization</i>	76
L.7.5 <i>Detailed Instructions for Price Proposal</i>	77

EVALUATION FACTORS FOR AWARD80

M.1 BASIS FOR CONTRACT AWARD80

M.2 ACCOUNTING SYSTEM80

M.3 EVALUATION FACTORS AND SUB-FACTORS80

M.3.1 Order of Importance for Evaluating Factors and Sub-factors:82

M.4 COMPARISON OF OFFERED PRICES WITH THE INDEPENDENT GOVERNMENT SHOULD-COST ESTIMATE82

SECTION B

Supplies or Services and Prices/Costs

B.1 Clauses and Provisions

Clauses and provisions from the Federal Acquisition Regulation (FAR) and its supplements are incorporated in this document by reference and in full text. Those incorporated by reference have the same force and effect as if they were given in full text.

B.2 General

The Government seeks a contractor to assume ownership, operation and maintenance of the utility infrastructures specified in Section B.3. The Contractor shall furnish all necessary labor, management, supervision, permits, equipment, supplies, materials, transportation, and any other incidental services required for the complete ownership, operation, maintenance, repair, upgrade, and improvement of these utility systems. These services shall be provided in accordance with all terms, conditions, and special contract requirements, specifications, attachments, and drawings contained in this solicitation or incorporated by reference.

Offerors are required to offer on both utility systems specified in B.3, Schedule A, as a bundled offer. For all offers, the Offeror shall provide a separate price schedule for each contract line item. Offers on bundled systems that do not include a separate price schedule for each line item will not be considered for award. For purposes of economic comparison required by 10 U.S.C. 2688, each system will be analyzed separately. Offerors are advised that if any individual system within a bundled offer does not satisfy the economic criteria for award, the bundled offer will not be considered.

B.3 Systems to Be Privatized

SCHEDULE A

Utility System Contract Line Item Numbers

CLIN	Installation	Utility System
0001	Fort Meade, MD	Potable Water Distribution and Treatment System
0002	Fort Meade, MD	Wastewater Collection and Treatment System

B.4 Price Proposal

Offerors must complete Price Schedules and accompanying Price Schedule Data Sheets that are consistent within the pricing methodology they propose:

Proposal	Section	Price Schedule	Price Schedule Data Sheets
Regulated Tariff Rate (Includes Special Contracts)	B.4.1	B1	Schedules 1 & 2 (if separately identified) Schedules 3 & 4
Firm Fixed Price	B.4.2	B2	Schedules 1, 2, 3, 4
Fixed-Price with Economic Price Adjustment	B.4.3	B3	Schedules 1, 2, 3, 4
Fixed-Price with Prospective Price Re-determination	B.4.4	B4	Schedules 1, 2, 3, 4

B.4.1 Regulated Tariff Rate Proposal

Available to public utilities offering regulated rates. Regulated utilities are encouraged to provide service in accordance with their standard methods of service and standard service practices. It is acceptable for regulated utilities to submit an offer contingent upon regulatory approval, provided a proposed timeframe for approval is provided.

SCHEDULE B-1 REGULATED TARIFF ^a

Payment by the Government for Utility Service

FORT MEADE, MARYLAND		
CLIN^a: _____	Water/Wastewater	
Sub-CLINs	Supplies/Services	Tariff/Schedule/Rate
AA	Applicable Tariff(s) ^a (See B.5.1)	\$ _____
AB	Monthly Credit as Payment for Purchase Price (see B.5.2). \$ _____ Monthly Credit _____ # months _____ Interest Rate	\$ _____
AC	Initial Capital Upgrades / Connection Charges ^b (see B.5.3 and B.7.4 (Schedule 3). This amount should not be included in the price offered for Sub-CLIN AA.)	\$ <u>Varies</u> – See Schedule 3
AD	Recoverable Portion of Purchase Price ^b (see B.5.4 and B.7.5 (Schedule 4). This amount should not be included in the price offered for Sub-CLIN AA.)	\$ <u>Varies</u> – See Schedule 4
<p>^a CLIN number to be filled in by the Offeror. CLIN numbers are shown in Schedule A paragraph B.3, <i>Systems to be Privatized</i>.</p> <p>^b SUBCLINs AC and AD are required <u>only</u> if the tariff provides for <u>separate</u> identification of connection charges and the recoverable portion of the purchase price. If separate identification is not provided, it will be assumed the tariff rate includes these costs.</p> <p>NOTE: The Purchase Price, Recoverable Portion of the Purchase Price, interest rate and amortization period are proposed by the Offeror.</p>		

B.4.2 Firm Fixed Price Proposal

SCHEDULE B-2

Payment by the Government for Utility Service

FORT MEADE, MARYLAND		
CLIN ^a : _____	Water/Wastewater	
Sub-CLINS	SUPPLIES/SERVICES	MONTHLY SERVICE CREDIT/CHARGE
AA	Fixed Monthly Charge (see B.6.1 and B.7.2) The Contractor shall provide utility service in accordance with Section C, <i>Descriptions, Specifications, and Work Statement</i> . ^b Fixed Term (Months): _____	\$ _____
AB	Monthly Credit as Payment for Purchase Price. (see B.6.2) \$ _____ Monthly Credit _____ # of months _____ Interest Rate	\$ (_____)
AC	Initial Capital Upgrades – (see B.6.3 and B.7.4 (Schedule 3). This amount should not be included in the price offered for Sub-CLIN AA.)	\$ <u>Varies</u> – See Schedule 3
AD	Recoverable Portion of Purchase Price (see B.6.4 and B.7.5 (Schedule 4). This amount should not be included in the price offered for Sub-CLIN AA.)	\$ <u>Varies</u> – See Schedule 4
<p>^a CLIN number to be filled in by the Offeror. CLIN numbers are shown in Schedule A paragraph B.3, <i>Systems to be Privatized</i>.</p> <p>^b The Offeror should enter the Fixed Monthly Charge, as computed in Schedule 1 (see B.7.2)</p> <p>NOTE: The Purchase Price, Recoverable Portion of the Purchase Price, interest rate and amortization period are proposed by the Offeror.</p>		

B.4.3 Fixed-Price Economic Price Adjustment Proposal

SCHEDULE B-3

Payment by the Government for Utility Service

FORT MEADE, MARYLAND		
CLIN ^a : _____	Water/Wastewater	
Sub-CLINS	SUPPLIES/SERVICES	MONTHLY SERVICE CREDIT/CHARGE
AA	Fixed Monthly Charge (see B.6.1 and B.7.2) The Contractor shall provide utility service in accordance with Section C, <i>Descriptions, Specifications, and Work Statement</i> . ^b <i>INDEX FOR ESCALATION (Year 1 THROUGH Year N)</i> <i>Internet Location of Index</i> _____ <i>Adjustment Methodology (e.g. Annual or Monthly)</i> _____	\$ _____ _____
AB	Monthly Credit as Payment for Purchase Price. (see B.6.2) \$ _____ Monthly Credit _____ # of months _____ Interest Rate	\$(_____)
AC	Initial Capital Upgrades – (see B.6.3 and B.7.4 (Schedule 3). This amount should not be included in the price offered for Sub-CLIN AA.)	\$ <u>Varies</u> – See Schedule 3
AD	Recoverable Portion of Purchase Price (see B.6.4 and B.7.5 (Schedule 4). This amount should not be included in the price offered for Sub-CLIN AA.)	\$ <u>Varies</u> – See Schedule 4
<p>^a CLIN number to be filled in by the Offeror. CLIN numbers are shown in Schedule A paragraph B.3, <i>Systems to be Privatized</i>.</p> <p>^b The Offeror should enter the Fixed Monthly Charge, as computed in Schedule 1 (see B.7.2). In their Price Proposals, offerors shall provide a thorough explanation of the price index they propose and describe their proposed methodology for adjusting prices. (See B.6.5, Economic Price Adjustment Index Methodology)</p> <p>NOTE: The Purchase Price, Recoverable Portion of the Purchase Price, interest rate and amortization period are proposed by the Offeror.</p>		

B.4.4 Fixed-Price with Prospective Price Redetermination Proposal

SCHEDULE B-4

Payment by the Government for Utility Service

FORT MEADE, MARYLAND		
CLIN ^a : _____	Water/Wastewater	
Sub-CLINS	SUPPLIES/SERVICES	MONTHLY SERVICE CREDIT/CHARGE
AA	Fixed Monthly Charge (see B.6.1 and B.7.2) The Contractor shall provide utility service in accordance with Section C, <i>Descriptions, Specifications, and Work Statement</i> . ^b	\$ _____
AB	Monthly Credit as Payment for Purchase Price. (see B.6.2) \$ _____ Monthly Credit _____ # of months _____ Interest Rate	\$ (_____))
AC	Initial Capital Upgrades – (see B.6.3 and B.7.4 (Schedule 3). This amount should not be included in the price offered for Sub-CLIN AA.)	\$ <u>Varies</u> – See Schedule 3
AD	Recoverable Portion of Purchase Price (see B.6.4 and B.7.5 (Schedule 4). This amount should not be included in the price offered for Sub-CLIN AA.)	\$ <u>Varies</u> – See Schedule 4
<p>^a CLIN number to be filled in by the Offeror. CLIN numbers are shown in Schedule A paragraph B.3, <i>Systems to be Privatized</i>.</p> <p>^b The Offeror should enter the Fixed Monthly Charge, as computed in Schedule 1 (see B.7.2).</p> <p>NOTE: The Purchase Price, Recoverable Portion of the Purchase Price, interest rate and amortization period are proposed by the Offeror. Also note that although the FAR Part 31 cost principles may not apply for the first two-year fixed period of any resultant contract, the cost principles will apply during the redetermination phases of a resultant contract.</p>		

B.5 Service Charges for Schedule B-1

B.5.1 Sub-CLIN AA: Applicable Tariff(s)

Offerors proposing tariff offers shall include a comprehensive description of the tariff in their price proposal. The Offeror shall propose a tariff rate or rates no less favorable than that offered to similarly situated utility customers. The Offeror shall provide an explanation of the tariff, identify the buildings to which it applies, and identify any assumptions regarding service quantity and quality. The Offeror shall describe how the offered tariff rate differs from the rate under which the Installation is currently receiving service and the economic impact of any proposed change. The Offeror shall also describe the regulatory process, if any, which will govern future rate changes (see L.7, *Proposal Preparation Instructions - Volume IV: Price Proposal*). The total monthly price will be the sum of the amount due under the Applicable Tariff(s), the recoverable portion of the purchase price as defined below and listed in the price proposal, and capital upgrades/connection charges, as defined below and listed in the price proposal.

B.5.2 Sub-CLIN AB: Monthly Credit as Payment for Purchase Price

The monthly credit is the monthly portion of the purchase price that will be credited to the Government over the number of months proposed by the offeror. The purchase price is the product of the monthly credit multiplied by the number of months the Government will receive the credit. (Sub-CLIN AB). The credit will be applied to the fixed monthly charge, as defined in Sub-CLIN AA.

B.5.3 Sub-CLIN AC: Initial Capital Upgrades/Connection Charges

See footnote (b) on Schedule B-1. The following applies if connection charges (initial capital upgrades) are priced separately from the tariff rate.

The requirement to perform an initial capital upgrade may originate from either a Government specified requirement, in which case the project will be listed in the relevant Utility Specific Attachment in Section J of this solicitation, or as a result of the Offeror's determination that the upgrade is necessary to meet legally applicable regulatory requirements, or to achieve the standards typically maintained by the Offeror on its utility systems. The Offeror must provide rationale to support any projects the Offeror proposes.

The Offeror shall provide price information for capital upgrades in accordance with C.11.2, *Capital Upgrades and Renewals and Replacements*. Information to support the price proposed for capital upgrades shall include project name, the interest rate, total upgrade project cost, the first full month project will be put into service, the amortization period, and the monthly charge associated with each upgrade/connection charge. This information shall be provided in Schedule 3 (See B.7.4).

If not encompassed in a tariff rate, the price of each upgrade proposed by the Offeror in Schedule 3 of the Price Proposal will be added to the Fixed Monthly Charge, for the number of months indicated, when the upgrade is put in useful service.

The price for each initial capital upgrade is fixed. The price for each upgrade will be amortized over the term proposed by the Offeror in the Price Proposal. With every monthly invoice that includes a request for payment for a capital upgrade identified in Schedule 3, the Contractor shall submit an amortization schedule. The amortization schedule shall specify for each upgrade the principal and interest components of each monthly payment, the number of the payment (of the total payments required), and the remaining principal balance.

Future capital upgrades for which the Government agrees to pay in accordance with Paragraph C.11, *Upgrades and Renewals and Replacements*, will be paid in accordance with the method proposed by the Offeror and accepted by the Government.

B.5.4 Sub-CLIN AD: Recoverable Portion of the Purchase Price

See footnote (b) on Schedule B-1. The recoverable portion of the utility system purchase price will be listed in Schedule 4 (See B.7.5) for the relevant utility system. The recoverable portion of the utility system purchase price will be added to the Fixed Monthly Charge or the Monthly Service Charge for the relevant utility system. The recoverable portion of the purchase price will be recovered in accordance with the amount and number of months agreed to by the parties in accordance with Paragraph L.7.5, *Detailed Instructions for Price Proposal*.

B.6 Service Charges for Schedules B-2, B-3, and B-4

B.6.1 Sub-CLIN AA – Fixed Monthly Charge

The Fixed Monthly Charge consists of two components, operations and maintenance and renewals and replacements (Schedules 1-2)(see B.7.2 and B.7.3). The price of the capital upgrades listed in Schedule 3 will be added to the Fixed Monthly Charge for the duration of the amortization period. The recoverable portion of the purchase price listed in the price proposal (Schedule 4)(see B.7.5) will be added to the Fixed Monthly Charge for the number of months proposed by the Offeror.

The total monthly price due to the Contractor will be the sum of the Fixed Monthly Charge, the recoverable portion of the purchase price, and capital upgrades, as listed in the price proposal.

Note for Schedule B-4 Offers: Prices proposed for Sub-CLIN AA identified in Schedules 1-2 shall be based on expected price levels during the first two years of operation. The effect of price inflation on costs incurred in years subsequent to the first 2 years of operation will be considered as part of the price redetermination process defined in Section I.6, *Type of Contract – Price Redetermination—Prospective*.

B.6.2 Sub-CLIN AB: Monthly Credit as Payment for Purchase Price

The monthly credit is the monthly portion of the purchase price that will be credited to the Government over the number of months proposed by the offeror. The purchase price is the product of the monthly credit multiplied by the number of months the Government will receive the credit. (Sub-CLIN AB). The credit will be applied to the fixed monthly charge, as defined in Sub-CLIN AA.

B.6.3 Sub-CLIN AC: Initial Capital Upgrades

Initial Capital Upgrades are identified in C.11.2.1. The requirement to perform an initial capital upgrade may originate from either a Government specified requirement, in which case the project will be listed in the relevant Utility Specific Attachment in Section J of this solicitation, or as a result of the Offeror's determination that the upgrade is necessary to meet legally applicable regulatory requirements, or to achieve the standards typically maintained by the Offeror on its utility systems. The Offeror must provide rationale to support any projects the Offeror proposes.

The Offeror shall provide price information for capital upgrades in accordance with C.11.2, *Capital Upgrades and Renewals and Replacements*. Information to support the price proposed for capital upgrades shall include project name, the interest rate, total upgrade project cost, the first full month project will be put into service, the amortization period, and the monthly charge associated with each upgrade/connection charge. This information shall be provided in Schedule 3 (See B.7.4).

The price for each capital upgrade is fixed. The price for each upgrade will be amortized over the term proposed by the Offeror in the Price Proposal. With every monthly invoice that includes a request for payment for a capital upgrade identified in Schedule 3, the Contractor shall submit an amortization schedule. The amortization schedule shall specify for each upgrade the principal and interest components of each monthly payment, the number of the payment (of the total payments required), and the remaining principal balance.

Future capital upgrades for which the Government agrees to pay in accordance with Paragraph C.11, *Upgrades and Renewals and Replacements*, will be paid in accordance with the method proposed by the Offeror and accepted by the Government.

B.6.4 Sub-CLIN AD: Recoverable Portion of the Purchase Price

The recoverable portion of the utility system purchase price will be listed in Schedule 4 (see B.7.5) for the relevant utility system. The recoverable portion of the utility system purchase price will be added to the Fixed Monthly Charge or the Monthly Service Charge for the relevant utility system. The recoverable portion of the purchase price will be recovered in accordance with the amount and number of months agreed to by the parties in accordance with Paragraph L.7.5, *Detailed Instructions for Price Proposal*.

B.6.5 Economic Price Adjustment Index Methodology

In their Price Proposals, offerors should specify the index or indices they propose as a price adjustment mechanism. Offerors should explain why the indexes proposed were selected, comprehensively describe the working of the price adjustment mechanism including the timing of adjustments and the composition of the base, and provide a sample calculation.

B.7 Price Schedule Data Sheets

B.7.1 General

Please note that Schedules 1 and 2 (see B.7.2 and B.7.3) are not necessarily required for offerors proposing a B.4.1 Tariff Proposal. All other offerors must provide the following:

For the operations and maintenance component the Offeror shall clearly establish a direct correlation between the price listed in Schedule 1 (see B.7.2) and the operations and maintenance plan provided in accordance with section L.4.2, *Operations and Maintenance/Quality Management Plan*. The Offeror shall provide detailed pricing data for all labor (direct and indirect), materials and procurement costs, insurance, equipment, general and administrative, overhead costs, and any other cost identified by the Offeror.

Renewals and Replacements are defined in paragraph C.11.2.3. Renewals and Replacement are investments in the utility system to renew or replace system components that fail or reach the end of their useful life. For the Renewals and Replacements component, the Offeror shall establish a 50-year schedule for renewals and replacements of major system components given the information available in this solicitation, technical library, through site visits, and other pertinent information. The 50-year schedule for renewals and replacements shall be established as shown in Schedule 2 (see B.7.3) in 2004 dollars (see note at B.6.1). The Offeror shall clearly establish a direct correlation between the 50-year schedule for renewals and replacements and the renewals and replacements component of the Fixed Monthly Charge presented in Schedule 1. If the correlation includes a residual value at the end of the 50-year schedule, the Offeror shall clearly demonstrate the basis for the residual value.

B.7.2 Schedule 1 – Fixed Monthly Charge

Component	Monthly Charge
1. Operations and Maintenance (O&M)	
2. Renewals and Replacements	
Total Fixed Monthly Charge (to be entered into subCLIN AA for Schedules B-2, B-3, B-4)	

B.7.3 Schedule 2 – Renewals and Replacements – 50 YEAR SCHEDULE-

NOTE: OFFEROR SHALL LIST EACH PROJECT INDIVIDUALLY BY YEAR

Year	Dollar Amount	Description of Renewal or Replacement
2004		
2005		
2006		
2007		
200X		
200X+1		
2052		
2052		
2053		
2054		
2055		

B.7.4 Schedule 3 – Initial Capital Upgrade(s) / Connection Charge(s)

Project Name	Interest Rate	Project Cost (Constant \$) ^a	First Full Month Project will Be In Service	Amortization Period (Months)	Monthly Charge

B.7.5 Schedule 4 –Recoverable Portion of Purchase Price

Item	Interest Rate	Amount	First Full Month Project will Be In Service	Amortization Period (Months)	Monthly Charge
Recoverable Portion of Purchase Price					

B.7.6 Schedule 5 – Fixed Monthly Charge (Government Retained Infrastructure)

Component	Monthly Charge
1. Operations and Maintenance (O&M)	
2. Renewals and Replacements	
Total Fixed Monthly Charge (to be entered into subCLIN AE for Schedules B-2, B-3, B-4)	

B.7.7 Schedule 6 – Renewals and Replacements – 50 YEAR SCHEDULE (Government Retained Infrastructure)

Year	Dollar Amount	Description of Renewal or Replacement
2005		
2006		
2007		
2008		
2009		
200X		
200X+1		
2052		
2053		
2054		
2055		

SECTION C

Description/Specifications/Work Statement

C.1 Order Of Precedence

Any inconsistency in this solicitation or contract shall be resolved by giving precedence in the following order: (a) The Schedule (excluding the specifications) (b) Representations and other instructions (c) Contract clauses (d) Other documents, exhibits, and attachments (e) The specifications.

C.2 Scope and Purpose

C.2.1 General

The Government is conveying the utility systems identified in this solicitation. Concurrent with the conveyance of the utility systems, the Government will acquire the following utility services: potable water treatment and distribution and wastewater treatment and collection to replace the service currently provided by the Government. The Government is requesting proposals for the transfer of the utility systems listed in Section B.3, the conveyance of the infrastructure and the acquisition of the identified utility services. The conveyance of the utility system and the acquisition of utility services are both subject to the terms and conditions of this solicitation. The Contractor shall furnish all necessary labor, management, supervision, permits, equipment, supplies, materials, transportation, and any other incidental services required for the complete ownership, operation, maintenance, repair, upgrade, and improvement of these utility systems. The Contractor will provide these services in accordance with all terms, conditions, and special contract requirements, specifications, attachments, and drawings contained in this solicitation or incorporated by reference.

The Government will consider the purchase of commodities with the privatization offer(s) on a case-by-case basis. Offerors shall discuss and quantify to the extent practicable other possible long-term costs and benefits to the United States if the conveyance affects separate contract relationships, particularly for commodities.

C.2.2 Privatization Guidance

The conveyance of the utility system is authorized by, and conducted under, 10 USC § 2688. The conveyance of the utility systems and services is an acquisition and therefore is subject to the Federal Acquisition Regulation (FAR) and its supplements.

C.2.3 Program Goal

The desired goal of this conveyance is to transfer all rights, title, and interest of the United States in and to the utility systems listed in Section B.3. The transfer of title can be accomplished at some point after contract award, provided that full transfer is the intended consequence. The conveyance will be documented by the Sample Easement (Attachment J41) and accompanying Bill of Sale (Attachment J42). The utility system being transferred includes equipment, fixtures, structures, and other improvements utilized in connection with the utility system, which will be more specifically

described in the Bill of Sale. The utility system being transferred is as identified in the Bill of Sale and does not include any other property. Typically, the divestiture will not include the real property upon, under, or around the utility system. In this case, the Government reserves the right to: 1) Transfer or lease the land surrounding the wastewater treatment plant as depicted in J14. 2) Transfer or lease the water treatment plant and associated facilities/structures.

C.2.4 Notices and Reservations

C.2.4.1

The Government will only acquire utility services if it conveys the related utility system(s). The Government can only convey the utility system(s) if it determines that (1) the long-term economic benefit of the conveyance to the United States exceeds the long-term economic cost to the conveyance to the United States, and (2) the conveyance will reduce the long-term costs of the United States for utility services provided by the utility system concerned. Award, if at all, will only be made by the duly authorized execution of the easement and the utility service contract.

C.2.4.2

The Government reserves the right to make no award to any Offeror.

C.2.5 Utility Service Providers

The Government is seeking best value utility service providers to assume ownership of Government utility system(s) identified herein and provide related utility service(s). This includes, but is not limited to, the obligation to ensure adequate and dependable utility service(s) to all facilities and equipment served.

Services provided shall comply with all applicable Federal, state, and local laws and regulations, as they may be amended from time to time, including those requirements relating to health, safety, and the environment. The Contractor shall modify its service practice as necessary to accomplish such compliance.

If a change in the service requirement necessitated by such compliance constitutes reasonable cause for an adjustment to the service charge, the charge will be adjusted in accordance with FAR 52.243-1 Alt 1, *Changes - Fixed Price* or FAR 52.241-7 *Changes in Rates or Terms and Conditions of Service for Regulated Services* as applicable.

C.2.6 Utility Systems

Attachments are included in Section J for the utility systems listed in Section B.3 and are herein referred to as utility-specific attachments. Each utility-specific attachment provides details specific to each Installation utility system and requirement. Upon contract award(s), the relevant attachments will be incorporated into the contract.

C.2.6.1 Systems

TABLE C.2.8-1
 Utility-Specific Attachments

RFP Attachment	Installation	Utility System
J1	Fort Meade Army Installation	Potable Water Treatment and Distribution System
J2	Fort Meade Army Installation	Wastewater Collection and Treatment System

C.2.7 Current Service Arrangement

The Installations currently use government-owned facilities and resources to provide utility services. The utility-specific attachments (Section J) describe the current service arrangement for each utility service and define specific requirements.

C.3 Requirement

C.3.1 Utility Service Requirement

Subject to the terms and conditions in this RFP, the Contractor shall furnish all facilities, labor, materials, tools, and equipment necessary to provide utility service.

The Contractor shall manage, control, and perform operations, maintenance, repairs, replacements, expansions, and incidentals on its utility system so as to provide reliable and dependable utility service to each Government or tenant connection within the service area (see C.4, *Service Area*) 24 hours each and every day. The Contractor shall be responsible for providing capital investments and all other resources required to own, maintain, and operate its utility system(s) in a safe and reliable condition, and to meet all the requirements listed herein.

The Contractor shall obtain and maintain current any and all licenses, permits, or certifications necessary to own, maintain, and operate its utility system(s).

C.3.2 Performance Standards

Unless otherwise provided for in this contract, the Contractor shall perform its required service(s) in accordance with industry-standard construction, operations, maintenance, management, environmental, safety, and other relevant standards, that apply to similarly situated utility service providers serving customers whose service characteristics are comparable to the service characteristics of the Installation.

The Contractor shall comply with all applicable Federal, state, and local laws/regulations and Installation-specific requirements as defined in the utility-specific and site-specific attachments (Section J), in performing its duties under the contract(s). The Contractor shall identify and incorporate standards and specifications in its Operations and Maintenance/Quality Management Plan, Section C.12, *Operations and Maintenance/Quality Management*.

C.3.3 Metering

The Contractor shall be responsible for reading, maintaining, and calibrating all meters on the privatized utility system, including those additional meters identified in the utility-specific attachments (Section J) to be installed by the Contractor. Those additional meters shall be installed within the transition period defined in Section L.4.4.3, *New Meter Requirements*. The Government may use such meters for internal installation billing purposes and for commodity management and energy conservation purposes.

Meter reading reports shall be submitted to the recipient identified in the utility-specific attachments (Section J).

All costs for providing, installing, reading, reporting, and maintaining the meters shall be the responsibility of the Contractor. Contractors are encouraged to incorporate remote meter reading technology.

C.3.3.1 Future Meters

The Contractor shall provide, install, read, maintain, and calibrate meters requested by the Government for any purpose throughout the contract period. Installation of and responsibility for future sub-meters (not on the system at the time of sale or identified for installation as part of the service contract) may constitute reasonable cause for a service charge adjustment in accordance with FAR 52.243-1 Alt I, *Changes - Fixed Price* or FAR 52.241-7 *Changes in Rates or Terms and Conditions of Service for Regulated Services* as applicable.

C.3.3.2 Meter Calibration

The frequency and accuracy of sub-meter calibration shall be in accordance with the manufacturer's recommendations and applicable regulations that govern meter calibration.

C.3.4 Energy and Water Efficiency and Conservation

The Contractor shall strive to provide energy- and water-efficient systems. The Government has an established program for conducting and implementing energy- and water-saving and conservation projects to reduce utility usage and costs. Some of these have resulted in the Government entering into long-term financing arrangements with non-government entities. The utility-specific attachments (Section J) identify any such energy- and water-savings projects that are currently in place for the specific utility system.

The Contractor agrees to take no action that will negatively impact these projects without prior approval of the Administrative Contracting Officer. Additionally, the Government reserves the right to enter into any future energy and water savings projects with the goal of reducing Government costs. The Contractor will facilitate the implementation of any such future energy and water savings projects. Projects implemented by the Government that will require changes in the privatized system shall be coordinated between the parties prior to implementation.

The Contractor is encouraged to propose projects to the Government that will increase the overall efficiency of the utility system. Efficiency projects shall be proposed to the Government in accordance with paragraph C.11, *Upgrades and Renewals and Replacements*. The Government may consider cost-savings sharing and incentives either through service charge adjustments or lump-sum payments.

C.3.5 Water Commodity Supply

The water commodity supply is not included in this Solicitation. The Government retains the right to procure or supply water that will be transported on the system covered by this contract from any lawful source. The Government will remain the customer of record and retain ownership of all commodities transported and distributed through the Contractor-owned systems unless otherwise provided in the contract. The Contractor shall, however, own wastewater from the point of demarcation, defined in the easement, until final discharge. The contractor shall not charge the Government for the wastewater commodity provided to water the golfcourse.

C.4 Service Area

The service area is defined as all areas within the Government Installation boundaries and any other facilities and property boundaries under the control of the Installation as defined in the utility-specific attachments (Section J). Within the service area and upon the Government's request, the Contractor shall provide utility service to all existing and new customers and service connections. At any time,

the Government may designate any location within the service area where utility service under this contract shall commence or be discontinued. Any service charge adjustment as a result of these actions will be in accordance with FAR 52.243-1 Alt I, *Changes - Fixed Price* or FAR 52.241-7 *Changes in Rates or Terms and Conditions of Service for Regulated Services* whichever is applicable.

C.4.1 Temporary Connections

The Contractor shall extend temporary service to the Government or Contractors performing work on the Installation when requested by the Government.

The Government will identify the party responsible for reimbursing the Contractor for temporary connections or utility usage. The Contractor shall provide the following information regarding any temporary service connections:

1. Name of the temporary customer
2. Cost
3. Date of Installation
4. Expected duration of the temporary connection
5. Description of the connection, including route and type of material
6. Point of Contact, Title, and Phone Number

C.4.2 Use of Distribution Systems to Serve Areas Outside the Installation Service Area

The Contractor may use the utility infrastructure on the Installation to serve or benefit areas or customers outside the service area(s) only with concurrence of the Government. Compensation to the Government will be negotiated. In no way shall service to off-installation customers degrade or hinder reliable service, or create unhealthy, unsafe or unacceptable outages to the Government's facilities.

C.4.3 Joint Use

C.4.3.1 Government Use

The Government may have property and equipment installed on or attached to poles, conduits, pipes, duct banks, towers, buildings, and other portions of the utility systems to be transferred. The Government reserves the right to continue to use the property to be transferred for this purpose, to enter on the transferred property to maintain, repair, operate, upgrade, and replace its property and equipment, and to install new property and equipment. Any upgrade or replacement of such installed or attached property shall be made only after coordinating with the Contractor. Any upgrade or replacement of such installed or attached property shall comply with all applicable safety regulations.

Attachment fees shall not apply. However, costs of any make-ready work related to safety requirements may be recovered under the contract. All attachments will be coordinated with the Contractor prior to the attachment.

C.4.3.2 Commercial Use

The Contractor shall enter into joint use agreements with the Installation's telephone company, cable television company, and other service providers in accordance with applicable law and regulation.

C.5 Utility System Ownership, Employees, and Security

C.5.1 Utility System Ownership

C.5.1.1 Transfer of Title

A general description of the utility systems assets to be transferred is included in the utility-specific attachments (Section J). Prior to the transfer of title, such facilities shall continue to be owned by the Government. Transfer of title shall be accomplished by Easement and Bill of Sale. The Easement and Bill of Sale shall provide the complete list of all assets to be transferred.

An example of the Easement and Bill of Sale is provided in Attachment J42. The parties shall prepare and execute such additional documents as may be necessary to implement the ownership transfer.

C.5.1.2 Tools, Vehicles, and Equipment

Unless listed in the final Bill of Sale, government-owned tools, vehicles, and equipment used for system operations and maintenance that are not a physical part of the utility system will remain the property of the Government.

C.5.1.3 Placement of Utility System

The Contractor shall comply with requests from the Installation regarding the placement of new or renewal utility systems either overhead or underground. Requests for placement, which differ from normal utility practice, may be reimbursable under FAR 52.243-1 Alt I, *Changes - Fixed Price*.

C.5.1.4 Contractor Facilities

The Contractor, at its expense, shall acquire, furnish, install, and operate and maintain all facilities required to provide the utility service(s) hereunder. The Contractor shall have title to all facilities it builds and equipment it installs under this contract, except as otherwise specifically provided. If available, the Contractor may be permitted to either build or lease office space, maintenance shops, materials storage/staging areas or other facilities on the installation.

The Contractor will be responsible for acquiring all utilities, janitorial services, building maintenance, and ground maintenance for these facilities. The Government may, if its capabilities permit, consent to provide certain of these services to the Contractor on a reimbursable basis.

New construction or remodeling of existing facilities shall comply with the Installation's Design Guide standards and be fully coordinated with the Installation prior to beginning construction.

C.5.1.5 Record Drawings

The Contractor shall maintain record drawings for all existing and new facilities installed by the Contractor within the service area. Upon reasonable request and with reasonable notice, the Government may use and copy such drawings. The Contractor shall provide available drawings to the Government in the form of CAD-CAM disks using the latest release software compatible with Government systems at no cost to the Government. The Contractor will also provide information to allow for updates to the Installation Geographical Information System (GIS). The Contractor shall identify changes to and update utility system maps in both hard copy (full size) and electronic media formats to insure delineation of all contractor facilities within one year of contract award and annually thereafter as necessary.

C.5.1.6 Disposition of Removed or Salvaged Materials

The removal and disposition of facilities and materials that are not used and useful for the purpose of providing utility service(s) shall be the responsibility of the Contractor. The Contractor shall notify the Administrative Contracting Officer when removing hazardous substances in accordance with paragraph *H.7, Hazardous Substances* and the Site Specifications outlined in Section J. Abandoned plant items not identified on existing maps but found during operations shall be documented on the drawings. In order to prevent hazardous conditions, the Contractor shall be responsible for ensuring that no interconnections exist between abandoned and utilized facilities.

C.5.2 Employees

The Contractor shall not employ any person for work on this contract if such person is identified to the Contractor as a potential threat to the health, safety, security, general well being, or operational mission of the Installation or population. All Contractor and subcontractor employees will comply with installation security, health and safety conditions.

Where reading, understanding, and discussing environmental, health, and safety warnings are an integral part of a contract employee's duties, that employee shall be able to understand, read, write, and speak the English language. All employees that interface with customers shall be able to speak and understand the English language. The Contractor will allow the Installation to review on a continuing basis a listing of all employees engaged in providing utility service to the Installation. The listing will provide sufficient information on all employees to allow precise Government identification of each individual.

C.5.2.1 Personnel Appearance and Identification

The Contractor's personnel shall present a neat appearance and be readily recognized as Contractor employees. If required by the Installation, the Contractor shall ensure each employee obtains from Security Forces an identification card that shall include at a minimum the employee's name, photograph, and Contractor's name. Each Contractor employee shall follow established Installation procedures for displaying their identification card while within the boundaries of the Installation.

C.5.2.2 Employee Certification

The Contractor shall ensure that employees meet all applicable Federal, state, and local certification, licensing, and health and safety requirements to perform all assigned tasks and functions as defined in this contract.

C.5.2.3 Installation's Rules Apply to Contractor

Rules, regulations, direction, and requirements issued by Installation, or other command authorities, under their responsibility for good order, administration, and security, including Site Specifications as outlined in Section J, apply to all personnel who enter the Installation or who travel by Government transportation.

C.5.2.4 National Agency Check

The Contractor shall provide sufficient information to obtain complete and favorable National Agency Check (NAC) investigations for its employees for unescorted entrance into restricted areas on base. Normal access to the Installation shall be in accordance with paragraph C.6, *Access to the Utility System*. The Contractor shall justify to the Installation Security Forces requests for NAC on Contractor employees requiring unescorted entry into restricted areas. Final approval for unescorted entry into restricted areas rests with the Installation Commander.

C.5.2.5 Controlled Access Areas

All persons requiring access within the boundaries of Fort Meade and/or the National Security Agency (NSA) or restricted areas therein, must comply with all Fort Meade and NSA security regulations as outlined in Sections J04 and J09, which apply to all personnel who enter the Installation.

C.5.2.6 Conflict of Interest

The Contractor shall not employ for purposes of the Installation utility services contract, any person who is a U.S. Government employee if employing that person would create a conflict of interest. The Contractor shall exercise reasonable diligence to identify and avoid such circumstances.

C.5.3 Contractor Vehicles

All Contractor vehicles shall be readily identifiable. Identification shall include displaying Contractor name in a clear and unobstructed location on the vehicle.

C.5.4 Contractor Radios

Prior to operating two-way, portable, or land mobile devices on the Installation, the Contractor shall obtain approval of the Installation Communication Group by requesting an available clear frequency. The Contractor shall follow all Installation procedures for operating radios on the Installation IAW DFARS 252.235-7003, *Frequency Authorization*.

C.6 Access to the Utility System

Access to the Installation and the utility system shall be in accordance with the easement and security requirements as stipulated in Paragraph C.5.2.5, Controlled Access Areas. An example of the easement to be used for each system is included as Attachment J41. If a Contractor is denied access to the system due to circumstances beyond its control or negligence, its obligations and liabilities under this Agreement will be suspended if such a deficient condition would not have occurred but for its inability to gain access to the installation and was not the result of previous deficiencies in performance.

C.7 Response to Service Interruptions and Contingencies

The Contractor shall employ sound utility practices to ensure continuous, dependable, and reliable utility service and to minimize the scope and length of any service disruption. If an installation has a specific response time requirement then it will be identified in the technical Section J for each utility system.

In accordance with Clause L.4.1, the Contractor shall establish and submit a Service Interruption/Contingency Plan. The Contractor shall maintain the Service Interruption/Contingency Plan and adhere to its requirements throughout the contract term. It shall not be materially altered without the Government's consent. The Contractor may propose standard operating procedures broadly applicable across its customer base as its Service Interruption/Contingency Plan. The Contractor need not seek the Government's consent prior to immaterial alterations in such procedures. However, the Contractor shall give the Government advance notice of any proposed material change affecting the Government. The parties will undertake negotiations as required.

In the event the Installation has an Emergency Restoration Plan that prioritizes service restoration, the Contractor shall adhere to the priority list established by the plan.

C.8 Repair Response Notification Procedures

The Contractor shall identify to the Government and implement clearly defined procedures by which Installation personnel can submit service requests to the Contractor. The Contractor also shall clearly identify any difference in service request procedures that apply to routine, urgent, and emergency matters. The Government will be responsible for disseminating such procedures within the Installation. The Contractor shall provide a local or toll-free telephone number by which it can be contacted 24 hours a day, 7 days a week, for service requests. This number will connect the Government to a local dispatcher or equivalent supervisor capable of estimating Contractor repair crew arrival time. All calls shall be centrally placed by designated Government representatives. The Government will assign “emergency”, “urgent”, or “routine” designations when contacting the Contractor with a service call in accordance with the defined procedures.

The Contractor shall maintain records of all service request calls, documenting the time of the call, time of service response, cause of request, and action taken (including time and date completed). Such records shall be retained for 2 years, and may be reviewed by the Administrative Contracting Officer upon reasonable notice.

If the request affects building operations, the Contractor shall coordinate all work with the person responsible for the building or facility. The Government will provide the Contractor with a list of Government representatives and the buildings or facilities for which they are responsible. Emergency service requests submitted to the Contractor, or emergencies identified by the Contractor, shall be reported immediately to the designated Government representative.

C.9 Coordination of Work

C.9.1 Routine Work

Routine work, such as the scheduled repair, replacement, or removal of system components that require service interruption, shall be coordinated with the Contracting Officer’s Representative at least 30 days prior to commencing work unless otherwise agreed to ensure minimal impact to the mission and operations. The Contractor and Government shall each provide a single point of contact for coordination. Notification shall include date, time of outage, a list of buildings that will be affected and the estimated time until the service will be restored. The Contractor shall also notify building occupants in advance of outages and post street signboards.

The Installation reserves the right to require the Contractor to postpone work requiring service interruption if such interruption might adversely affect the Installation’s missions and operations. If an interruption is postponed, the parties shall coordinate a mutually acceptable alternate time for the scheduled service interruption. Scheduled utility outages may be required after normal working hours to lessen the inconvenience to Installation mission critical functions.

C.9.2 Government Requests for Utility Service Interruption

Only designated Government service representatives may request utility service interruption. The Contractor will refer any other service interruption requests to designated Government representatives.

C.9.3 Construction and Restoration of Site

The Contractor will ensure that the proper temporary facilities and controls are in place during any construction and other work it performs that could affect installation activities. All work must include temporary facilities and control measures to facilitate the flow of vehicular, emergency, and pedestrian traffic to include the following: high-intensity reflectorized signs, barricades, temporary sidewalks, fencing, and traffic cones. Once work is complete the contractor will restore the area to an equal or better condition. Site restoration requires proper waste cleanup, removal, and disposal; replacement of cracked pavements and sidewalks; proper repair and sealing of utility cuts both on improved and unimproved land and roadways; replacement of loam or topsoil; top dressing by hand; lawn bed preparation; hydro air seeding, mulch, fertilizer and shrub replacement.

C.9.4 Excavation Permits

The Contractor shall adhere to the Installation's excavation permit process.

C.9.5 Underground Utility Location

The Contractor, at its expense, shall be responsible for locating and marking underground utility system components in support of the Installation's excavation permit process. (See Section J03) The appropriate Government forms shall be signed by the Contractor as part of the excavation permit process.

C.9.6 Working Hours

Normal working hours shall be Monday-Friday (0730-1600). All routine work shall be accomplished during normal working hours. The Government must approve deviations from these working hours.

C.9.7 Coordination Meetings

The Contractor shall be available for meetings as reasonably required by the Administrative Contracting Officer.

C.9.8 Exercises and Crisis Situations Requiring Utility Support

The Contractor shall respond to Installation emergency and crisis situations and exercises that require utility support. The Contractor shall respond to these events as soon as possible after notification. The Contractor shall advise and assist the on-scene commander until the event is terminated. Additional work effort under these circumstances may entitle the Contractor to equitable adjustment under FAR 52.243-1, Alt I.

C.9.9 Emergency Operation

The Government reserves the right to perform or supplement performance of contract functions with Government designated personnel during periods of disaster and emergency that affect the installation and prevent the Contractor from fulfilling its obligations under the contract. The Government shall coordinate with the Contractor and obtain authorization before supplementing the Contractor's performance in these circumstances. Such authorization shall not be unreasonably withheld.

C.9.10 Non Performance and Abandonment

The Government reserves the right to perform or supplement performance of contract functions with Government designated personnel if the Contractor consistently fails to perform its obligations under the contract, has been notified in writing of failure to perform its obligations, and has not cured the

performance failures within a reasonable time. The Contractor shall make its facilities available for this purpose at no cost to the Government for as long as the circumstance requiring Government operation persists.

C.10 Environmental Compliance

The Contractor shall comply with all applicable environmental laws and regulations including Installation specific requirements.

C.10.1 Permit Compliance

Once ownership of the utility systems is transferred, the Contractor shall be the party of record for all environmental permits related to operating the system. Thereafter, the Contractor shall be responsible for obtaining any new or revised permits needed to operate and maintain the utility system. The Government shall remain the party of record and retain responsibility for any applicable permits prior to the transfer of ownership, as defined by paragraph C.13, *Operational Transition Plan*, and for those permits that are not transferable.

C.10.2 Work in Environmentally Sensitive Areas

The Contractor shall comply with the Installation procedures and standards for work in and around environmentally sensitive or contaminated property. Prior to accessing any environmentally sensitive areas the Contractor shall coordinate with the designated Government Representative.

C.10.3 Environmental Impact Assessments

Modification of the utility system(s) on Government installations may require an environmental impact assessment in accordance with environmental impact analysis process applicable to the Installation (AR 200-2 *Environmental Analysis of Army Actions*). The Contractor shall be responsible for preparing all documents necessary for conducting this assessment in coordination with the Government.

C.10.4 Spill Contingencies

The Contractor shall adopt the procedures of the Installation Spill Contingency Plan and all applicable Installation Instructions, written Standard Operating Procedures and Site Specifications related to environmental compliance.

C.10.5 Hazardous Material and Waste Minimization

Hazardous materials used in utility system operation and maintenance shall be handled in accordance with applicable laws and regulations. Appropriate Material Safety Data Sheets (MSDS) shall accompany all hazardous materials used on the Installation. The Contractor shall submit copies of MSDS to the COR, and retain a copy of each MSDS on-site. The Contractor shall maintain a viable hazardous waste minimization program that includes making every effort to identify non-hazardous or less hazardous materials than those currently in use and recycling versus disposing of consumable wastes. However, the Government reserves the right to dispose of the stabilized sludge generated by the Wastewater Treatment Plant at its discretion.

C.10.6 Environmental Response

The Contractor shall be responsible for accomplishing at no cost to the Government any environmental response required as a result of the Contractor's activities. The Contractor shall not be

responsible for remediating preexisting environmental conditions. Unexploded ordinance shall be considered a preexisting environmental condition.

C.11 Upgrades and Renewals and Replacements

C.11.1 Equitable Adjustment

The Contractor shall be responsible for accomplishing all required upgrades, renewals, and replacements to maintain and operate the utility system(s) in a safe, reliable condition, and to meet the requirements of this contract.

The Contractor shall base its proposal on the inventory listed in Sections J-01 and J02. If after award the Contractor identifies additional inventory not listed in Sections J01 and J02 the Contractor may submit a request for an equitable adjustment to the Contracting Officer. If the Contractor determines that the inventory listed in Sections J01 and J02 is overstated, the Contractor shall report the extent of the overstatement to the Contracting Officer, who will determine an equitable adjustment.

C.11.2 Capital Upgrades and Renewals and Replacements

C.11.2.1 Initial Capital Upgrades

Initial capital upgrades are typically maintained by the Contractor on its utility systems so that subsequent renewals and replacements will permit the long-term safe and reliable operation of the utility system. All initial capital upgrades shall be listed in the first submittal of the Capital Upgrades and Renewals and Replacements Plan, as part of the offer. Government recognized deficiencies listed in Section J01 and J02 shall be complete within 5 years of contract award date.

C.11.2.2 Future Capital Upgrades

Future capital upgrades are investments in the utility system resulting from changes in service requirements, laws, or regulations. Capital upgrades may also include the implementation of new technologies. The Government reserves the right to determine at its discretion whether it will pay for any portion of proposed future capital upgrades, other than those required to meet standards imposed by law that have changed during the contract term.

C.11.2.3 Renewals and Replacements

Renewals and replacements are investments in the utility system to renew or replace system components that fail or reach the end of their useful life.

C.11.2.4 Annual Capital Upgrades and Renewals and Replacements Plan

The Contractor shall prepare and submit an Annual Capital Upgrades and Renewals and Replacements Plan that identifies capital upgrades and major renewals and replacements the Contractor intends to accomplish. The Annual Capital Upgrades and Renewals and Replacement Plan shall contain a proposed upgrade list for each of the next 5 years. The plan shall be structured as follows:

- Year 1 shall include detailed upgrade information including site plans, cost estimates, upgrade schedules, an analysis of the impact of construction on Installation operations and the environment, and address safety requirements.
- Years 2-5 shall include upgrade lists with upgrade descriptions, order-of-magnitude estimates, and proposed site plans.

- The initial Capital Upgrade and Renewals and Replacements Plan included in the proposal shall describe initial capital upgrades and initial renewals and replacements in the same detail as required for Year 1.

The first Annual Capital Upgrades and Renewals and Replacements Plan shall be submitted no later than **May 31** of the first full fiscal year following contract award. Thereafter, the plan shall be submitted no later than **May 31** of each year. The Plan shall be submitted to the designated Government representative.

C.11.2.5 Capital Upgrades/Connection Charges

The Contractor may propose upgrades in the Annual Capital Upgrade and Renewal and Replacement Plan. The Government reserves the right to determine at its discretion whether it will pay for any portion of proposed upgrades. Capital upgrades required to comply with requirements and standards imposed by law that have changed during the contract term will be paid subject to the availability of funds. Approved capital upgrades and improvements identified in the Capital Upgrades and Renewals and Replacements Plan will be paid, in accordance with Paragraphs H.12, *Capital Upgrades as a Result of Change in Requirements*, and B.5, *Service Charges for Schedule B-1*, or B.6, *Service Charges for Schedules B-2, B-3, and B-4*, when accomplished. The Government reserves the right to pay for any capital upgrade as a lump-sum payment rather than by amortizing the capital upgrade costs.

C.11.2.6 Renewals and Replacements

Major renewals and replacements identified in the Capital Upgrades and Renewal and Replacement Plan will be paid in accordance with Schedules 2 and 3 and Paragraph B.5, *Service Charges for Schedule B-1*, or B.6, *Service Charges for Schedules B-2, B-3, and B-4*.

C.11.2.7 Requirements and Standards

The Capital Upgrades and Renewals and Replacements Plan shall include an assessment of any new or revised standards and clearly address planned system improvements or operational changes needed to comply with such standards.

C.11.2.8 Connections and Disconnections

The Capital Upgrades and Renewals and Replacements Plan shall include a list of anticipated new service connections, including a preliminary design and estimated construction costs. The Government will provide a list of new service requirements and anticipated disconnections.

C.12 Operations and Maintenance/Quality Management

In accordance with Clause L 4.2 the Contractor shall establish and submit an Operation and Maintenance/ Quality Management Plan. The Plan shall ensure the provision of reliable, cost-effective, and compliant service over the term of the contract. The Contractor shall maintain and update the Plan as necessary and adhere to its requirements throughout the contract term. It shall not be materially altered without the Government's consent.

C.13 Operational Transition Plan

In accordance with Clause L.4.4, the Contractor shall establish and submit an Operational Transition Plan describing the transfer of the utility system(s) from the Government to the Contractor. The Plan shall not be altered without the Government's consent.

C.14 Historical, Architectural, and Landscaping Requirements

Cultural resources on Federal property are protected and managed by the Archaeological Resources Protection Act of 1979 and other applicable laws. The Contractor shall exercise care so as not to disturb or damage artifacts or fossils (should any be uncovered) during the excavation operations. Should the Contractor or any parties operating or associated with the performance of this contract discover evidence of possible scientific, prehistoric, historic or archaeological finds within the work limit lines or adjacent to work area shall immediately cease work at that location and notify the Contracting Officer. The Contractor shall provide the Contracting Officer with all information as to the specific location and nature of the findings. Where appropriate by reason of discovery, the Contracting Officer may order delays in time of performance or changes in the work or both. If such delays or changes are ordered, an equitable adjustment will be made in the contract in accordance with the applicable clauses of the contract.

SECTION E

Inspection and Acceptance

The following FAR Clause is Incorporated by Reference:

FAR 52.246-4: Inspection of Services -- Fixed-Price (Aug 1996)

IAW FAR 46.304

NOTE: This clause does not apply to B.4.1 offers

SECTION F

Deliveries or Performance

F.1 Place of Performance

Fort George G. Meade, Maryland

F.2. Contract Term

The Contractor agrees to furnish, and the Government agrees to transfer, utility distribution services, in accordance with the terms and conditions of this solicitation, for a 50-year period of performance commencing with the performance start date.

F.3 Commencement of Service

The Contractor shall complete all transitions and be prepared to provide utility services on the performance start date. The performance start date is defined as the expiration of the transition period (proposed by the Offeror) and the initiation of monthly utility service. The 50-year period of performance begins at the performance start date.

Performance Period Begins Here

Phase I	Phase II	Phase III
Contract Award Date	Transition Period (Pre-performance)	Performance Start Date
<i>Fixed date in time Government and Offeror agree to terms and conditions of utility service contract.</i>	<i>Offeror proposes duration of transition period; Transition period begins upon execution of contract award.</i>	<i>Transition Period Ends and Performance of Utility Services begins.</i>

F.4 Extension of Contract Performance Period

The contract performance period may be extended on a month-to-month basis for up to 6 months upon the mutual agreement of the parties.

F.5 Clauses Incorporated by Reference

FAR Paragraph	Clause Title	Date
52.242-15	Stop Work Order IAW 42.1305(b)(1)	Aug 1989
52.242-17	Government Delay of Work IAW 42.1305(d)	Apr 1984

SECTION G

Contract Administration Data

G.1 DFARS 252.201-7000: Contracting Officer's Representative (Dec 1991)

Contracting Officer's Representative means an individual designated in accordance with subsection 201.602-2 of the Department of Defense Federal Acquisition Regulation Supplement and authorized in writing by the Contracting Officer to perform specific technical or administrative functions.

If the Contracting Officer designates a Contracting Officer's Representative (COR), the Contractor will receive a copy of the written designation. It will specify the extent of the COR's authority to act on behalf of the Contracting Officer. The COR is not authorized to make any commitments or changes that will affect price, quality, quantity, delivery, or any other term or condition of the contract.

G.2 Submission and Payment of Invoices

The Government will pay the Contractor for utility service through a monthly service charge. Subject to the provisions set forth in Section B, utility services will be billed according to the Sub-CLIN items in Schedule B-1, B-2, B-3, or B-4 on a monthly basis.

The Contractor shall prepare and send one original invoice to the Installation for payment by the 25th of each month for the previous month's billing period. Invoices shall be sent to the recipient and address identified in the utility-specific attachments (Section J).

G.3 Accounting Procedures

The Contractor shall maintain a system of accounts acceptable to the Government depending on the pricing option proposed in B.4.

SECTION H

Special Contract Provisions

H.1 Armed Forces Mobilization and Other Contingencies

In the event of troop mobilization or other contingencies the Contractor will be expected to promptly take whatever measures are needed to meet any new demands placed upon it, to include extended work hours and expansion of the contract work force.

Extra work effort under these circumstances may entitle the Contractor to equitable adjustment under the Changes Clause FAR 52.243-1 Alt 1, *Changes - Fixed Price*.

H.2 Insurance Requirements

H.2.1 Insurance Certificate

Contractor shall deliver or cause to be delivered upon execution of this contract (and thereafter not less than fifteen (15) days prior to the expiration date of each policy furnished pursuant to this contract) to Government a certificate of insurance evidencing the insurance required by this contract.

H.2.2 Types of Insurance

During the entire period this contract shall be in effect, the Contractor shall carry and maintain and require its contractors performing work on the Premises to carry and maintain:

H.2.2.1 General Liability

Comprehensive general liability insurance on an "occurrence basis" against claims for "personal injury" including, without limitation, bodily injury, death, or property damage. Such insurance is to afford immediate protection at all times during the term of this contract. The insurance will include limits of liability in amounts approved by the Government, but not less than \$1 million in the event of bodily injury or death to any one or more persons in one accident and, not less than \$500,000 for property damage.

H.2.2.2 Automobile Liability

Comprehensive automobile liability insurance covering the operation of all automobiles used in connection with the performance of the contract in the minimum limits of \$200,000 per person, and \$500,000 per accident for bodily injury, and \$20,000 per accident for property damage.

H.2.2.3 Workers' Compensation and Employer's Liability

If and to the extent required by law, workers' compensation and employer's liability or similar insurance in form and amounts required by law but not less than the amount of \$100,000.

H.2.3 General

All policies of insurance which this contract requires the Contractor to carry and maintain, or cause to be carried or maintained, pursuant to this contract shall be effected under valid and enforceable

policies, in such forms and amounts as may, from time to time, be required under this contract, issued by insurers of recognized responsibility. With respect to Comprehensive General Liability and Automobile Liability insurance policies, the Contractor shall include the Government as additional insured.

Each such policy shall provide that any losses shall be payable notwithstanding any act or failure to act or negligence of Contractor; provide that no cancellation, reduction in amount, or material change in coverage thereof shall be effective until at least sixty (60) days after receipt by Government of written notice thereof; provide that the insurer shall have no right of subrogation against Government; and be reasonably satisfactory to Government in all other respects.

Under no circumstances will Contractor be entitled to assign to any third party rights of action the Contractor may have against the Government. The foregoing notwithstanding, any cancellation of insurance coverage based on nonpayment of the premium shall be effective upon ten (10) days' written notice to the Government. The Contractor understands and agrees that cancellation of any insurance coverage to be carried and maintained by the Contractor under this contract will constitute a failure to comply with the terms of this contract.

H.2.4. Self-Insurance

The requirements to maintain insurance under H.2 may be met by the use of self-insurance only under the following conditions and with the express prior written approval of the contracting officer:

H.2.4.1

If the contractor desires to self-insure, the contractor shall submit to the contracting officer, in writing, a request to self-insure. To support the determination of the contracting officer regarding the request, the contracting officer may request some or all of the following information on the contractor's proposed self-insurance program—

- (1) A complete description of the program, including any resolution of the board of directors authorizing and adopting coverage, including types of risks, limits of coverage, assignments of safety and loss control, and legal service responsibilities;
- (2) If available, the corporate insurance manual;
- (3) The terms regarding insurance coverage for any Government property;
- (4) The contractor's latest financial statements;
- (5) Loss history and premiums history;
- (6) The means by which the self-insurance will be funded;
- (7) Claims administration policy, practices, and procedures;
- (8) The method of projecting losses; and
- (9) A disclosure of all captive insurance company and reinsurance agreements, including methods of computing cost.

H.2.4.2

Programs of self-insurance covering contractor's insurable risks, including the deductible portion of purchased insurance, may be approved by the contracting officer when examination of a program indicates that its application is in the Government's interest; such determination is within the sole discretion of the Government. The Government will not approve a program of self-insurance for workers' compensation in a jurisdiction where workers' compensation does not completely cover the employer's liability to employees, unless the contractor—

- (1) Maintains an approved program of self-insurance for any employer's liability not so covered; or

- (2) Shows that the combined cost to the Government of self-insurance for workers' compensation and commercial insurance for employer's liability will not exceed the cost of covering both kinds of risk by commercial insurance.

H.2.4.3

Once the contracting officer has approved a self-insurance program, the contractor must submit to that official for approval any major proposed changes to the program. Any program approval may be withdrawn after contract award if the contracting officer finds that either—

- (1) Any part of a program does not comply with the requirements of this part and/or the criteria at FAR 31.205-19; or
- (2) Conditions or situations existing at the time of approval that were a basis for original approval of the program have changed to the extent that a program change is necessary.

H.2.4.4

To qualify for self-insurance, the contractor must demonstrate to the Government an ability to sustain the potential losses involved. In making the determination, the contracting officer shall consider the following factors:

- (1) The soundness of contractor's financial condition, including available lines of credit.
- (2) The geographic dispersion of assets, so that the potential of a single loss depleting all the assets is unlikely.
- (3) The history of previous losses, including frequency of occurrence and the financial impact of each loss.
- (4) The type and magnitude of risk, such as minor coverage for the deductible portion of purchased insurance or major coverage for hazardous risks.
- (5) The contractor's compliance with Federal and State laws and regulations.

H.3 Availability of Funds

Nothing in this contract shall be construed to obligate funds in advance of appropriations.

H.4 Catastrophic Loss

The Contractor shall propose how it plans to protect itself from a catastrophic loss (e.g. natural disasters that could significantly affect the utility systems. If the Contractor has catastrophic insurance, the Contractor shall provide a copy of the coverage to the Administrative Contracting Officer.

H.5 Notification Of Infrastructure/Service Contract Transfer

The Contractor shall provide 120 day written notice prior to any resale, transfer, or encumbrance of the system or any components thereof. Regardless of the disposition of the contractor's property, the utility services contract can only be transferred to another entity with the Government's consent (see FAR 42.1204).

H.6 Foreign Object Damage Prevention Program

At Installations that conduct flight operations, all Contractor work in and around any flight line areas must comply with the base's applicable Foreign Object Damage Prevention Program.

Prior to starting work in such areas, the Contractor shall contact the assigned COR for scheduling of Contractor personnel for required training.

H.7 Hazardous Substances

The Contractor, at its expense, must comply with all applicable laws on occupational safety and health, the handling and storage of hazardous materials, and the proper handling and disposal of hazardous wastes and hazardous substances generated by its activities.

H.8 Contribution in Aid of Construction (CIAC) Tax Liability

The parties hereby recognize that a purchase by the Contractor of a Government utility system at less than fair market value may be treated as a CIAC and therefore taxable income to the Contractor. As a result, the Contractor may incur an associated income tax liability. It is the responsibility of the Contractor to ensure that all transactions undertaken under the contract are in compliance with the United States Internal Revenue Service notices, guidelines, rules, and regulations governing the CIAC tax, and particularly the notices, guidelines, rules, and regulations governing how to determine fair market value, so that there is no CIAC tax liability to the Government. The Government will have no liability for nor will it pay any CIAC tax associated with the sale of the utility system for which the Contractor is liable, or may become liable.

H.9 Interest Allowability Of Capital Investment

Pursuant to the DoD Class Deviation signed 15 April 2002, the Contractor will be permitted to recover its interest costs associated only with capital expenditures to acquire, renovate, replace, upgrade, and/or expand utility systems. Contract award must be before April 30, 2007. Interest rates used to calculate allowable interest costs must be limited to 600 basis points above the Contract Disputes Act (CDA) interest rate (41 U.S.C. 611) in effect at the time the contractor makes the capital expenditure. The contractor shall not receive facilities capital cost of money under FAR 31.205-10. CDA interest rate(s) are determined by the Bureau of the Public Debt and are published at the following website: <http://www.publicdebt.treas.gov/opd/opdprmt2.htm>.

H.10 Differing Site Conditions

52.236-2 -- Differing Site Conditions (Apr 1984)

(a) The Contractor shall promptly, and before the conditions are disturbed, give a written notice to the Contracting Officer of --

(1) Subsurface or latent physical conditions at the site which differ materially from those indicated in this contract; or

(2) Unknown physical conditions at the site, of an unusual nature, which differ materially from those ordinarily encountered and generally recognized as inhering in work of the character provided for in the contract.

(b) The Contracting Officer shall investigate the site conditions promptly after receiving the notice. If the conditions do materially so differ and cause an increase or decrease in the Contractor's cost of, or the time required for, performing any part of the work under this contract, whether or not changed as a result of the conditions, an equitable adjustment shall be made under this clause and the contract modified in writing accordingly.

(c) No request by the Contractor for an equitable adjustment to the contract under this clause shall be allowed, unless the Contractor has given the written notice required; provided, that the time

prescribed in paragraph (a) of this clause for giving written notice may be extended by the Contracting Officer.

(d) No request by the Contractor for an equitable adjustment to the contract for differing site conditions shall be allowed if made after final payment under this contract.

(End of Clause)

H.11 Price Redetermination

At the request of either party to this contract, and with reasonable cause, the Fixed Monthly charge (Sub-CLIN AA) may be re-negotiated in accordance with Clause I.6, *Type of Contract – Price Redetermination—Prospective*. Only the operations and maintenance and renewals and replacements portion of the Fixed Monthly Charge are eligible for redetermination. However, in accordance with Clause I.6, neither party shall request a change to these service charges to become effective sooner than 2 years from the date of award and every three years thereafter. If new capital upgrades are required as a result of a change in service requirements, the monthly service charge may be re-negotiated, at any time, in accordance with FAR 52.243-1 Alt 1, *Changes - Fixed Price*.

H.12 Capital Upgrades as a Result of Change in Requirements

If new capital upgrades are required as a result of a change in service requirements, the monthly service charge may be re-negotiated, at any time, in accordance with FAR 52.243-1 Alt 1, *Changes - Fixed Price*.

SECTION I

Contract Clauses

I.1 FAR 52.252-2 Clauses Incorporated by Reference (Feb 1998)

(IAW FAR 52.107(b))

This contract incorporates one or more clauses by reference, with the same force and effect as if they were given in full text.

The full text of a clause may be accessed electronically at these addresses:

<http://farsite.hill.af.mil> (All CLAUSES) and <http://www.arnet.gov/far> (FAR Clauses ONLY [Clauses I-11 through I-750]). (End of Clause)

I.2 FAR Clauses Incorporated by Reference

FAR Paragraph	Clause Title	IAW FAR
52.202-1	Definitions	2.201
52.203-3	Gratuities	3.202
52.203-5	Covenant against Contingent Fees	3.404
52.203-6	Restrictions on Subcontractor Sales to the Government	3.503-2
52.203-7	Anti-Kickback Procedures	3.502-3
52.203-8	Cancellation, Rescission, and Recovery of Funds for Illegal or Improper Activity	3.104-9(a)
52.203-10	Price or Fee Adjustment for Illegal or Improper Activity	3.104-9(b)
52.203-12	Limitation on Payments to Influence Certain Federal Transactions	3.808(b)
52.204-4	Printing/Copying Double-Sided on Recycled Paper	4.303
52.207-3	Right of First Refusal of Employment	7.305(c)
52.209-6	Protecting the Government's Interest when Subcontracting with Contractors Debarred, Suspended, or Proposed for Debarment	9.409(b)
52.215-2	Audit and Records - - Negotiations	15.209(b)
52.215-8	Order of Precedence – Uniform Contract Format	15.209(h)
	See Section C.1 of contract	
52.215-11	Price Reduction for Defective Cost or Pricing Data—Modifications	15.408(c)
52.215-13	Subcontractor Cost or Pricing Data—Modifications	15.408(e)
52.215-21	Requirement for Cost or Pricing Data or Information other than Cost or Pricing	15.408(m)
52.219-4	Notice of Price Evaluation for HUBZone Small Business Concerns	19.1308(b)

FAR Paragraph	Clause Title	IAW FAR
52.219-8	Utilization of Small Business Concerns	19.708(a)
52.219-9	Small Business Subcontracting Plan	19.708(b)
52.219-9	Alternate II	19.708(b)(1)
52.219-16	Liquidated Damages—Subcontracting Plan	19.708(b)(2)
52.219-25	Small Disadvantaged Business participation Program-Disadvantaged Status and Reporting	19.1204(b)
52.222-1	Notice to the Government of Labor Disputes	22.103-5(a)
52.222-3	Convict Labor	22.202
52.222-4	Contract Work Hours and Safety Standards Act - - Overtime Compensation	22.305
52.222-21	Prohibition of Segregated Facilities	22.810(a)(1)
52.222-26	Equal Opportunity	22.810(e)
52.222-35	Affirmative Action for Disabled Veterans and Veterans of the Vietnam Era	22.1310(a)
52.222-36	Affirmative Action for Workers with Disabilities	22.1408(a)
52.222-37	Employment Reports on Disabled Veterans and Veterans of the Vietnam Era	22.1310(b)
52.223-5	Pollution Prevention and Right-to-Know Information	23.1005
52.223-6	Drug-Free Workplace	23.505
52.223-12	Refrigeration Equipment And Air Conditioners	23.804(b)
52.223-13	Certification of Toxic Chemical Release Reporting	23.907(a)
52.223-14	Toxic Chemical Release Reporting	23.907(b)
52.226-1	Utilization of Indian Organizations and Indian-Owned Economic Enterprises	26.104(a)
52.227-1	Authorization and Consent	27.201-2(a)
52.228-5	Insurance-Work on a Government Installation	28.310
52.229-3	Federal, State, and Local Taxes	29.401-3

FAR Paragraph	Clause Title	IAW FAR
52.232-1	Payments	32.111(a)(1)
52.232-8	Discounts for Prompt Payment	32.111(c)(1)
52.232-11	Extras	32.111(d)(2)
52.232-17	Interest	32.617
52.232-18	Availability of Funds	32.705-1(a)
52.232-23	Assignment of Claims, ALT 1	32.806(a)(1)
52.232-25	Prompt Payment	32.908(c)
	For the purposes of this clause, the blank(s) are completed as follows:	
	(A)(6)(I) 7 th	
	(B)(2) 30 th	
52.232-33	Payment by Electronic Funds Transfer --Central Contractor Registration	32.1110(A)(1)
52.233-1	Disputes (Alt 1)	33.215
52.233-3	Protest after Award	33.106(b)
52.237-2	Protection of Government Buildings, Equipment, and Vegetation	37.110(b)
52.237-3	Continuity of Services	37.110(c)
52.241-8	Change in Rates or Terms and Conditions of Service for Unregulated Services	41.501(d)(2)
	For the purposes of this clause the blank(s) is/are completed as follows:	
	<u>To be determined.</u>	
52.242-1	Notice of Intent to Disallow Costs	42.802
52.242-13	Bankruptcy	42.903
52.243-1	Changes – Fixed Price - Alt I	Aug 1987
52.244-6	Subcontracts for Commercial Items	44.403

FAR Paragraph	Clause Title	IAW FAR
52.249-2	Termination for Convenience of the Government (Fixed Price)	43.205(a)(1)
52.249-8	Default (Fixed Price Supply and Service)	49.504(a)(1)
52.252-6	Authorized Deviations in Clauses	52.107(f)

I.2.1 Disputes

NOTE: This clause only applies to B.4.1 offers

The requirements of the Disputes Clause at FAR 52.233-1 are supplemented to provide that matters involving the interpretation of retail rates, rate schedules, tariffs, riders, and tariff related terms provided under any resultant contract and conditions of service are subject to the jurisdiction and regulation of the utility rate commission having jurisdiction.

I.3 DFARS Clauses Incorporated by Reference

The use in this solicitation or contract of any Defense Federal Acquisition Regulation Supplement (48 CFR Chapter 2) clause with an authorized deviation is indicated by the addition of "(DEVIATION)" after the name of the regulation.

The following DFAR clauses are incorporated by reference:

DFARS Paragraph	Clause Title	IAW	Date
252.203-7001	Prohibition on Persons Convicted of Fraud or Other Defense-Contract-Related Felonies	DFARS 203.570-5	Mar 1999
252.203-7002	Display of DoD Hotline Poster	DFARS 203.7002	Dec 1991
252.204-7000	Disclosure of Information	DFARS 204.404-70(a)	Dec 1991
252.204-7003	Control of Government Personnel Work Product	DFARS 204.404-70(b)	Apr 1992
252.204-7004	Required Central Contractor Registration	DFARS 252.204-7304	Nov 2003
252.205-7000	Provision of Information to Cooperative Agreement Holders	DFARS 205.470-2	Dec 1991
252.209-7000	Acquisition from Subcontractors Subject to Onsite Inspection under the Intermediate-Range Nuclear Forces (INF) Treaty	DFARS 209.103-70	Nov 1995
252.209-7001	Disclosure of Ownership or Control by the Government of a Terrorist Country	DFARS 209.104-70(a)	Mar 1998
252.209-7004	Subcontracting with Firms that Are Owned or Controlled by the Government of a Terrorist Country	DFARS 209.409	Mar 1998
252.215-7000	Pricing Adjustments	IAW DFARS 215.408(1)	Dec 1991
252.219-7003	Small, Small Disadvantaged and Women-Owned Small Business Subcontracting Plan (DoD Contracts)	DFARS 219.708(B)(1)(a)	Apr 1996
252.223-7004	Drug-Free Work Force	DFARS 223.570-4(a)	Sep 1988

DFARS Paragraph	Clause Title	IAW	Date
252.223-7006	Prohibition on Storage and Disposal of Toxic and Hazardous Materials	DFARS 223.7103(a)	Apr 1993
252.225-7031	Secondary Arab Boycott of Israel	DFARS 225.770-5	Apr 2003
252.231-7000	Supplemental Cost Principals	DFARS 231.100-70	Dec 1991
252.235-7003	Frequency Authorization	DFARS 235.071(b)	Dec 1991
252.236-7005	Airfield Safety Precautions	DFARS 236.570(b)(3)	Dec 1991
252.241-7001	Government Access	DFARS 241.501-70(b)	Dec 1991
252.242-7000	Post-award Conference	DFARS 242.570	Dec 1991
252.243-7001	Pricing of Contract Modifications	DFARS 243.205-71	Dec 1991
252.243-7002	Requests for Equitable Adjustment	DFARS 243.205-72	Mar 1998
252.247-7023	Transportation of Supplies by Sea	DFARS 247.573(b)	May 2002

I.4 Clauses Applicable to Entities Submitting Prices Set by Law or Regulation

The following FAR clauses are incorporated by reference if award is made to an entity that is subject to rate regulation by an independent regulatory body with respect to its proposal under this solicitation.

Paragraph	Clause Title	IAW	Date
52.241-3	Scope and Duration of Contract For the purposes of this clause the blank(s) is/are completed as follows: a. 50 years b. (INSERT TYPE OF SERVICE)	FAR 41.501(c)(2)	Feb 1995
52.241-4	Change in Class of Service	FAR 41.501(c)(3)	Feb 1995
52.241-5	Contractor's Facilities	FAR 41.501(c)(4)	Feb 1995
52.241-6	Service Provisions (a) (1) to be determined percent (2) to be determined days (b) (1) to determined year(s) (2) to be determined percent (3) to be determined percent (c) (1) <u>to be determined</u> hour(s)	FAR 41.501(c)(5)	Feb 1995
52.241-7	Change in Rates or Terms and Conditions of Service for Regulated Services For the purposes of this clause the blank(s) is/are completed as follows: <u>To be determined.</u>	FAR 41.501(d)(1)	Feb 1995
52.241-9	Connection Charge <u>\$ to be determined.</u>	FAR 41.501(d)(3)	Feb 1995

52.241-11	Multiple Service Location	FAR 41.501(d)(5)	Feb 1995
52.241-12	Non-Refundable, Nonrecurring Service Charge For the purposes of this clause the blank(s) is/are completed as follows: Nonrefundable, nonrecurring charge for <u>TBD</u> in the amount of <u>TBD</u> dollars payable.	FAR 41.501(d)(6)	Feb 1995

I.5 Clauses not applicable to Entities Submitting Prices Set by Law or Regulation (Incorporated by Reference)

The following FAR clauses are incorporated by reference if award is made to an entity that is not subject to rate regulation by an independent regulatory body with respect to its proposal under this solicitation.

Paragraph	Clause Title	IAW	Date
52.222-41	Service Contract Act of 1965, as amended	FAR 22.1006(a)	May 1989
52.222-44	Fair Labor Standards Act and Service Contract Act – Price Adjustment (Multiple Year and Option Contracts)	FAR 22.1006(c)	Feb 2002
52.230-2	Cost Accounting Standards	FAR 30.201-4(a)	Apr 1998
52.230-3	Disclosure and Consistency of Cost Accounting Standards	FAR 30.201-4(b)(1)	Apr 1998
52.230-6	Administration of Cost Accounting Standards	FAR 30.201-4(d)	Nov 1999

I.6 Other Clauses

Applies only to contracts awarded using Schedule B-4. Only the operations and maintenance and renewals and replacements portion of the Fixed Monthly Charge are eligible for price redetermination.

FAR 52.216-5: Price Redetermination – Prospective (Oct 1997)

(a) *General.* The unit prices and the total price stated in this contract shall be periodically redetermined in accordance with this clause, except that --

- (1) The prices for supplies delivered and services performed before the first effective date of price redetermination (see paragraph (c) of this clause) shall remain fixed; and
- (2) In no event shall the total amount paid under this contract exceed any ceiling price included in the contract.

(b) *Definition.* "Costs," as used in this clause, means allowable costs in accordance with Part 31 of the Federal Acquisition Regulation (FAR) in effect on the date of this contract. (c) *Price redetermination periods.* For the purpose of price redetermination, performance of this contract is divided into successive periods. The first period shall extend from the date of the contract to two years after the initial date of contract performance, and the second and each succeeding period shall extend for 36 months from the end of the last preceding period, except that the parties may agree to vary the length of the

final period. The first day of the second and each succeeding period shall be the effective date of price redetermination for that period.

(d) *Data submission.*

(1) Not more than **120 days** nor less than 90 days before the end of each redetermination period, except the last, the Contractor shall submit --

(i) Proposed prices for supplies that may be delivered or services that may be performed in the next succeeding period, and --

(A) An estimate and breakdown of the costs of these supplies or services in the format of Table 15-2, FAR 15.408, or in any other form on which the parties may agree;

(B) Sufficient data to support the accuracy and reliability of this estimate; and

(C) An explanation of the differences between this estimate and the original (or last preceding) estimate for the same supplies or services; and

(ii) A statement of all costs incurred in performing this contract through the end of the first month before the submission of proposed prices in the format of Table 15-2, FAR 15.408 (or in any other form on which the parties may agree), with sufficient supporting data to disclose unit costs and cost trends for --

(A) Supplies delivered and services performed; and

(B) Inventories of work in process and undelivered contract supplies on hand (estimated to the extent necessary).

(2) The Contractor shall also submit, to the extent that it becomes available before negotiations on redetermined prices are concluded --

(i) Supplemental statements of costs incurred after the date stated in subdivision (d)(1)(ii) of this section for --

(A) Supplies delivered and services performed; and

(B) Inventories of work in process and undelivered contract supplies on hand (estimated to the extent necessary); and

(ii) Any other relevant data that the Contracting Officer may reasonably require.

(3) If the Contractor fails to submit the data required by subparagraphs (d)(1) and (2) of this section, within the time specified, the Contracting Officer may suspend payments under this contract until the data are furnished. If it is later determined that the Government has overpaid the Contractor, the Contractor shall repay the excess to the Government immediately. Unless repaid within 30 days after the end of the data submittal period, the amount of the excess shall bear interest, computed from the date the data were due to the date of repayment, at the rate established in accordance with the Interest clause.

(e) *Price redetermination.* Upon the Contracting Officer's receipt of the data required by paragraph (d) of this section, the Contracting Officer and the Contractor shall promptly negotiate to redetermine fair and reasonable prices for supplies that may be delivered or services that may be performed in the period following the effective date of price redetermination.

(f) *Contract modifications.* Each negotiated redetermination of prices shall be evidenced by a modification to this contract, signed by the Contractor and the Contracting Officer, stating the redetermined prices that apply during the redetermination period.

(g) *Adjusting billing prices.* Pending execution of the contract modification (see paragraph (f) of this section), the Contractor shall submit invoices or vouchers in accordance with the billing prices stated in this contract. If at any time it appears that the then-current billing prices will be substantially greater than the estimated final prices, or if the Contractor submits data showing that the redetermined price will be substantially greater than the current billing prices, the parties shall negotiate an appropriate decrease or increase in billing prices. Any billing price adjustment shall be reflected in a contract modification and shall not affect the redetermination of prices under this clause. After the contract modification for price redetermination is executed, the total amount paid or to be paid on all in-

voices or vouchers shall be adjusted to reflect the agreed-upon prices, and any requested additional payments, refunds, or credits shall be made promptly.

(h) *Quarterly limitation on payments statement.* This paragraph (h) applies only during periods for which firm prices have not been established.

(1) Within 45 days after the end of the quarter of the Contractor's fiscal year in which a delivery is first made (or services are first performed) and accepted by the Government under this contract, and for each quarter thereafter, the Contractor shall submit to the contract administration office (with a copy to the contracting office and the cognizant contract auditor) a statement, cumulative from the beginning of the contract, showing --

(i) The total contract price of all supplies delivered (or services performed) and accepted by the Government and for which final prices have been established;

(ii) The total costs (estimated to the extent necessary) reasonably incurred for, and properly allocable solely to, the supplies delivered (or services performed) and accepted by the Government and for which final prices have not been established;

(iii) The portion of the total interim profit (used in establishing the initial contract price or agreed to for the purpose of this paragraph (h)) that is in direct proportion to the supplies delivered (or services performed) and accepted by the Government and for which final prices have not been established; and

(iv) The total amount of all invoices or vouchers for supplies delivered (or services performed) and accepted by the Government (including amounts applied or to be applied to liquidate progress payments).

(2) The statement required by subparagraph (h)(1) of this section need not be submitted for any quarter for which either no costs are to be reported under subdivision (h)(1)(ii) of this section, or revised billing prices have been established in accordance with paragraph (g) of this section, and do not exceed the existing contract price, the Contractor's price-redetermination proposal, or a price based on the most recent quarterly statement, whichever is least.

(3) Notwithstanding any provision of this contract authorizing greater payments, if on any quarterly statement the amount under subdivision (h)(1)(iv) of this section exceeds the sum due the Contractor, as computed in accordance with subdivisions (h)(1)(i), (ii), and (iii) of this section, the Contractor shall immediately refund or credit to the Government the amount of this excess. The Contractor may, when appropriate, reduce this refund or credit by the amount of any applicable tax credits due the Contractor under 26 U.S.C.1481 and by the amount of previous refunds or credits affected under this clause. If any portion of the excess has been applied to the liquidation of progress payments, then that portion may, instead of being refunded, be added to the unliquidated progress payment account, consistent with the Progress Payments clause. The Contractor shall provide complete details to support any claimed reductions in refunds.

(4) If the Contractor fails to submit the quarterly statement within 45 days after the end of each quarter and it is later determined that the Government has overpaid the Contractor, the Contractor shall repay the excess to the Government immediately. Unless repaid within 30 days after the end of the statement submittal period, the amount of the excess shall bear interest, computed from the date the quarterly statement was due to the date of repayment, at the rate established in accordance with the Interest clause.

(i) *Subcontracts.* No subcontract placed under this contract may provide for payment on a cost-plus-a-percentage-of-cost basis.

(j) *Disagreements.* If the Contractor and the Contracting Officer fail to agree upon redetermined prices for any price redetermination period within **60 days** (or within such other period as the parties agree) after the date on which the data required by paragraph (d) of this section are to be submitted, the Contracting Officer shall promptly issue a decision in accordance with the Disputes clause. For the purpose of paragraphs (f), (g), and (h) of this section, and pending final settlement of the dis-

agreement on appeal, by failure to appeal, or by agreement, this decision shall be treated as an executed contract modification. Pending final settlement, price redetermination for subsequent periods, if any, shall continue to be negotiated as provided in this clause.

(k) *Termination*. If this contract is terminated, prices shall continue to be established in accordance with this clause for

- (1) completed supplies and services accepted by the Government and
- (2) those supplies and services not terminated under a partial termination. All other elements of the termination shall be resolved in accordance with other applicable clauses of this contract.

FAR 52.222-42: Statement of Equivalent Rates for Federal Hires (May 1989)

In compliance with the Service Contract Act of 1965, as amended, and the regulations of the Secretary of Labor (29 CFR Part 4), this clause identifies the classes of service for employees expected to be employed under the contract. This clause also states the wages and fringe benefits payable to each if they were employed by the contracting agency subject to the provisions of 5 USC 5341 or 5332.

This statement is for information only; it is not a wage determination.

EMPLOYEE CLASS

MONETARY WAGE - FRINGE BENEFITS

See Attachment J44 – Federal Equivalents

SECTION J

List of Attachments

TABLE J.1-1
Installation- and Utility-Specific Attachments to RFP in the Case of Multiple Contract Awards

RFP Attachment	Installation	Utility System
J01	Fort Meade, Maryland	Potable Water Distribution and Treatment System
J02	Fort Meade, Maryland	Wastewater Collection and Treatment System

Attachment J03 – Excavation Permit

Attachment J04 – Fort Meade Security Requirements

Attachment J05 – Section J File Misc.xls

Attachment J06 – Requirement For A Secondary Water Source

Attachment J07 – Water Chemistry Requirement for NSA

Attachment J08 – Potable Water Plant and Wastewater Treatment Plant Property Line Surveys

Attachment J09 – National Security Agency Physical Security Requirements for Controlled Areas

Attachment J10 – National Security Agency Wide Long-Range Potential Projects List

Attachment J40 – Example of a Completed Schedule B-4

Attachment J40a – UP East Model Guide

Attachment J41 – Sample Easement

Attachment J42 – Sample Bill of Sale

Attachment J43 – Maryland Department of Labor (DOL) Wage Rate Determination

Attachment J44 – Federal Equivalents

Attachment J45 – Legislative Authority 10 USC Section 2688

Attachment J46 – Past Performance Questionnaire

Attachment J47 – Sample Subcontracting Plan

Attachment J48 – Small Business List

SECTION K

Representations, Certifications, and other Statements of Offerors

52.203-2 CERTIFICATE OF INDEPENDENT PRICE DETERMINATION (APR 1985)

(a) The offeror certifies that--

- (1) The prices in this offer have been arrived at independently, without, for the purpose of restricting competition, any consultation, communication, or agreement with any other offeror or competitor relating to (i) those prices, (ii) the intention to submit an offer, or (iii) the methods or factors used to calculate the prices offered;
- (2) The prices in this offer have not been and will not be knowingly disclosed by the offeror, directly or indirectly, to any other offeror or competitor before bid opening (in the case of a sealed bid solicitation) or contract award (in the case of a negotiated solicitation) unless otherwise required by law; and
- (3) No attempt has been made or will be made by the offeror to induce any other concern to submit or not to submit an offer for the purpose of restricting competition.

(b) Each signature on the offer is considered to be a certification by the signatory that the signatory--

(1) Is the person in the offeror's organization responsible for determining the prices being offered in this bid or proposal, and that the signatory has not participated and will not participate in any action contrary to subparagraphs (a)(1) through (a)(3) above; or

(2) (i) Has been authorized, in writing, to act as agent for the following principals in certifying that those principals have not participated, and will not participate in any action contrary to subparagraphs (a)(1) through (a)(3) above

_____ [insert full name of person(s) in the offeror's organization responsible for determining the prices offered in this bid or proposal, and the title of his or her position in the offeror's organization];

(ii) As an authorized agent, does certify that the principals named in subdivision (b)(2)(i) above have not participated, and will not participate, in any action contrary to subparagraphs (a)(1) through (a)(3) above; and

(iii) As an agent, has not personally participated, and will not participate, in any action contrary to subparagraphs (a)(1) through (a)(3) above.

(c) If the offeror deletes or modifies subparagraph (a)(2) above, the offeror must furnish with its offer a signed statement setting forth in detail the circumstances of the disclosure.

(End of provision)

52.203-11 -- Certification and Disclosure Regarding Payments to Influence Certain Federal Transactions. (Apr 1991)

(a) The definitions and prohibitions contained in the clause, at FAR 52.203-12, Limitation on Payments to Influence Certain Federal Transactions, included in this solicitation, are hereby incorporated by reference in paragraph (b) of this certification.

(b) The offeror, by signing its offer, hereby certifies to the best of his or her knowledge and belief that on or after December 23, 1989 --

(1) No Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress on his or her behalf in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment or modification of any Federal contract, grant, loan, or cooperative agreement;

(2) If any funds other than Federal appropriated funds (including profit or fee received under a covered Federal transaction) have been paid, or will be paid, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress on his or her behalf in connection with this solicitation, the offeror shall complete and submit, with its offer, OMB standard form LLL, Disclosure of Lobbying Activities, to the Contracting Officer; and

(3) He or she will include the language of this certification in all subcontract awards at any tier and require that all recipients of subcontract awards in excess of \$100,000 shall certify and disclose accordingly.

(c) Submission of this certification and disclosure is a prerequisite for making or entering into this contract imposed by section 1352, title 31, United States Code. Any person who makes an expenditure prohibited under this provision or who fails to file or amend the disclosure form to be filed or amended by this provision, shall be subject to a civil penalty of not less than \$10,000, and not more than \$100,000, for each such failure.

(End of provision)

52.204-3 TAXPAYER IDENTIFICATION (OCT 1998)

(a). **DEFINITIONS.**

Common parent, as used in this provision, means that corporate entity that owns or controls an affiliated group of corporations that files its Federal income tax returns on a consolidated basis, and of which the offeror is a member.

Taxpayer Identification Number (TIN), as used in this provision, means the number required by the Internal Revenue Service (IRS) to be used by the offeror in reporting income tax and other returns. The TIN may be either a Social Security Number or an Employer Identification Number.

(b). All offerors must submit the information required in paragraphs (d) through (f) of this provision to comply with debt collection requirements of 31 U.S.C. 7701(c) and 3325(d), reporting requirements of 26 U.S.C. 6041, 6041A, and 6050M, and implementing regulations issued by the IRS. If the resulting contract is subject to the payment reporting requirements described in FAR 4.904, the failure or refusal by the offeror to furnish the information may result in a 31 percent reduction of payments otherwise due under the contract.

(c). The TIN may be used by the Government to collect and report on any delinquent amounts arising out of the offeror's relationship with the Government (31 U.S.C. 7701(c)(3)). If the resulting contract is subject to the payment reporting requirements described in FAR 4.904, the TIN provided hereunder may be matched with IRS records to verify the accuracy of the offeror's TIN.

(d). TAXPAYER IDENTIFICATION NUMBER (TIN).

- ☐ TIN: _____.
- ☐ TIN has been applied for.
- ☐ TIN is not required because--
- ☐ Offeror is a nonresident alien, foreign corporation, or foreign partnership that does not have income effectively connected with the conduct of a trade or business in the United States and does not have an office or place of business or a fiscal paying agent in the United States;
- ☐ Offeror is an agency or instrumentality of a foreign government;
- ☐ Offeror is an agency or instrumentality of the Federal Government.

(e) TYPE OF ORGANIZATION.

- ☐ Sole proprietorship;
- ☐ Partnership;
- ☐ Corporate entity (not tax-exempt);
- ☐ Corporate entity (tax-exempt);
- ☐ Government entity (Federal, State, or local);
- ☐ International organization per 26 CFR 1.6049-4;
- ☐ Other _____.

(f) COMMON PARENT.

- ☐ Offeror is not owned or controlled by a common parent as defined in paragraph (a) of this provision.
- ☐ Name and TIN of common parent:
Name: _____
TIN: _____

(End of provision)

52.204-5 WOMEN-OWNED BUSINESS (OTHER THAN SMALL BUSINESS) (MAY 1999)

(a) **DEFINITION. Women-owned business concern**, as used in this provision, means a concern that is at least 51 percent owned by one or more women; or, in the case of any publicly owned business, at least 51 percent of the stock of which is owned by one or more women; and whose management and daily business operations are controlled by one or more women.

(b) **REPRESENTATION.** (Complete only if the offeror is a women-owned business concern and has not represented itself as a small business concern in paragraph (b)(1) of FAR 52.219-1, SMALL BUSINESS PROGRAM REPRESENTATIONS, of this solicitation.) The offeror represents that it [☐] is, [☐] is not a women-owned business concern.

52.209-5 CERTIFICATION REGARDING DEBARMENT, SUSPENSION, PROPOSED DEBARMENT, AND OTHER RESPONSIBILITY MATTERS (DEC 2001)

(a)(1) The offeror certifies, to the best of its knowledge and belief, that--

(i) The offeror and/or any of its principals--

(A) Are ☐ , are not ☐ presently debarred, suspended, proposed for debarment, or declared ineligible for the award of contracts by any Federal agency;

(B) Have ☐ have not ☐ , within a three-year period preceding this offer, been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State, or local) contract or subcontract; violation of Federal or State antitrust statutes relating to the submission of offers; or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, tax evasion, or receiving stolen property; and

(C) Are ☐ , are not ☐ presently indicted for, or otherwise criminally or civilly charged by a governmental entity with, commission of any of the offenses enumerated in subdivision (a)(1)(i)(B) of this provision.

(D) Have ☐ have not ☐ , within a three-year period preceding this offer, been convicted of or had a civil judgment rendered against them for: commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, state, or local) contract or subcontract; violation of Federal or state antitrust statutes relating to the submission of offers; or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, tax evasion, or receiving stolen property; and

(E) Are ☐ are not ☐ presently indicted for, or otherwise criminally or civilly charged by a government entity with, commission of any of the offenses enumerated in subdivision (a)(1)(i)(B) of this provision.

(ii) The offeror has ☐ , has not ☐ , within a three-year period preceding this offer had one or more contracts terminated for default by any Federal agency.

(2) "Principals," for the purposes of this certification, means officers, directors, owners, partners, and persons having primary management or supervisory responsibilities within a business entity (e.g., general manager; plant manager; head of a subsidiary, division, or business segment, and similar positions).

THIS CERTIFICATION CONCERNS A MATTER WITHIN THE JURISDICTION OF AN AGENCY OF THE UNITED STATES, AND THE MAKING OF A FALSE, FICTITIOUS, OR FRAUDULENT CERTIFICATION MAY RENDER THE MAKER SUBJECT TO PROSECUTION UNDER SECTION 1001, TITLE 18, UNITED STATES CODE.

(b) The offeror shall provide immediate written notice to the Contracting Officer if, at any time prior to contract award, the offeror learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.

(c) A certification that any of the items in paragraph (a) of this provision exists will not necessarily result in withholding of an award under this solicitation. However, the certification will be considered in connection with a determination of the offeror's responsibility. Failure of the offeror to furnish a certification or provide such additional information as requested by the Contracting Officer may render the offeror nonresponsible.

(d) Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render, in good faith, the certification required by paragraph (a) of this provision. The knowledge and information of an offeror is not required to exceed that which, is normally possessed by a prudent person in the ordinary course of business dealings.

(e) The certification in paragraph (a) of this provision is a material representation of fact upon which reliance was placed when making award. If it is later determined that the offeror knowingly rendered an erroneous certification, in addition to other remedies available to the Government, the Contracting Officer may terminate the contract resulting from this solicitation for default.

(End of provision)

52.219-1/I/ SMALL BUSINESS PROGRAM REPRESENTATIONS (APR 2002)

(a)(1) The North American Industry Classification System (NAICS) code for this acquisition is

<u>NAICS</u>	<u>Description</u>	<u>Size Standard</u>
221310	Water Supply	\$6.0 million
221320	Sewerage Systems	\$6.0 million

(2) The small business size standard is \$6.0 Million.

(3) The small business size standard for a concern which submits an offer in its own name, other than on a construction or service contract, but which proposes to furnish a product which it did not itself manufacture, is 500 employees.

(b) *Representations.*

(1) The offeror represents as part of its offer that it [] is, [] is not a small business concern.

(2) *[Complete only if the offeror represented itself as a small business concern in paragraph (b)(1) of this provision.]* The offeror represents, for general statistical purposes, that it [] is, [] is not, a small disadvantaged business concern as defined in 13 CFR 124.1002.

(3) *[Complete only if the offeror represented itself as a small business concern in paragraph (b)(1) of this provision.]* The offeror represents as part of its offer that it [] is, [] is not a women-owned small business concern.

(4) *[Complete only if the offeror represented itself as a small business concern in paragraph (b)(1) of this provision.]* The offeror represents as part of its offer that it [] is, [] is not a veteran-owned small business concern.

(5) *[Complete only if the offeror represented itself as a veteran-owned small business concern in paragraph (b)(4) of this provision.]* The offeror represents as part of its offer that it [] is, [] is not a service-disabled veteran-owned small business concern.

(6) *[Complete only if the offeror represented itself as a small business concern in paragraph (b)(1) of this provision.]* The offeror represents, as part of its offer, that-

(i) It [] is, [] is not a HUBZone small business concern listed, on the date of this representation, on the List of Qualified HUBZone Small Business Concerns maintained by the Small Business Administration, and no material change in ownership and control, principal office, or HUBZone employee percentage has occurred since it was certified by the Small Business Administration in accordance with 13 CFR part 126; and

(ii) It [] is, [] is not a joint venture that complies with the requirements of 13 CFR part 126, and the representation in paragraph (b)(6)(i) of this provision is accurate for the HUBZone small business concern or concerns that are participating in the joint venture. [*The offeror shall enter the name or names of the HUBZone small business concern or concerns that are participating in the joint venture:_____.*] Each HUBZone small business concern participating in the joint venture shall submit a separate signed copy of the HUBZone representation.

(c) *Definitions.* As used in this provision-

"Service-disabled veteran-owned small business concern"-

(1) Means a small business concern-

(i) Not less than 51 percent of which is owned by one or more service-disabled veterans or, in the case of any publicly owned business, not less than 51 percent of the stock of which is owned by one or more service-disabled veterans; and

(ii) The management and daily business operations of which are controlled by one or more service-disabled veterans or, in the case of a veteran with permanent and severe disability, the spouse or permanent caregiver of such veteran.

(2) Service-disabled veteran means a veteran, as defined in 38 U.S.C. 101(2), with a disability that is service-connected, as defined in 38 U.S.C. 101(16).

"Small business concern" means a concern, including its affiliates, that is independently owned and operated, not dominant in the field of operation in which it is bidding on Government contracts, and qualified as a small business under the criteria in 13 CFR part 121 and the size standard in paragraph (a) of this provision.

"Veteran-owned small business concern" means a small business concern-

(1) Not less than 51 percent of which is owned by one or more veterans (as defined at 38 U.S.C. 101(2)) or, in the case of any publicly owned business, not less than 51 percent of the stock of which is owned by one or more veterans; and

(2) The management and daily business operations of which are controlled by one or more veterans.

"Women-owned small business concern" means a small business concern-

(1) That is at least 51 percent owned by one or more women; or, in the case of any publicly owned business, at least 51 percent of the stock of which is owned by one or more women; and

(2) Whose management and daily business operations are controlled by one or more women-.

(d) *Notice.*

(1) If this solicitation is for supplies and has been set aside, in whole or in part, for small business concerns, then the clause in this solicitation providing notice of the set-aside contains restrictions on the source of the end items to be furnished.

(2) Under 15 U.S.C. 645(d), any person who misrepresents a firm's status as a small, HUBZone small, small disadvantaged, or women-owned small business concern in order to obtain a contract to be awarded under the preference programs established pursuant to section 8(a), 8(d), 9, or 15 of the Small Business Act or any other provision of Federal law that specifically references section 8(d) for a definition of program eligibility, shall-

(i) Be punished by imposition of fine, imprisonment, or both;

- (ii) Be subject to administrative remedies, including suspension and debarment; and
- (iii) Be ineligible for participation in programs conducted under the authority of the Act.

(End of provision)

52.219-4 Notice of Price Evaluation Preference for HUBZone Small Business Concerns (Jan 1999)

(a) Definition. "HUBZone small business concern," as used in this clause, means a small business concern that appears on the List of Qualified HUBZone Small Business Concerns maintained by the Small Business Administration.

(b) Evaluation preference. (1) Offers will be evaluated by adding a factor of 10 percent to the price of all offers, except--

___(i) Offers from HUBZone small business concerns that have not waived the evaluation preference;

___(ii) Otherwise successful offers from small business concerns;

___(iii) Otherwise successful offers of eligible products under the Trade Agreements Act when the dollar threshold for application of the Act is exceeded (see 25.402 of the Federal Acquisition Regulation (FAR)); and

___(iv) Otherwise successful offers where application of the factor would be inconsistent with a Memorandum of Understanding or other international agreement with a foreign government.

(2) The factor of 10 percent shall be applied on a line item basis or to any group of items on which award may be made.

Other evaluation factors described in the solicitation shall be applied before application of the factor.

(3) A concern that is both a HUBZone small business concern and a small disadvantaged business concern will receive the benefit of both the HUBZone small business price evaluation preference and the small disadvantaged business price evaluation adjustment (see FAR clause 52.219-23). Each applicable price evaluation preference or adjustment shall be calculated independently against an offeror's base offer. These individual preference amounts shall be added together to arrive at the total evaluated price for that offer.

(c) Waiver of evaluation preference. A HUBZone small business concern may elect to waive the evaluation preference, in which case the factor will be added to its offer for evaluation purposes. The agreements in paragraph (d) of this clause do not apply if the offeror has waived the evaluation preference.

* Offeror elects to waive the evaluation preference.

(d) Agreement. A HUBZone small business concern agrees that in the performance of the contract, in the case of a contract for--

(1) Services (except construction), at least 50 percent of the cost of personnel for contract performance will be spent for employees of the concern or employees of other HUBZone small business concerns;

(2) Supplies (other than procurement from a non manufacturer of such supplies), at least 50 percent of the cost of manufacturing, excluding the cost of materials, will be performed by the concern or other HUBZone small business concerns;

(3) General construction, at least 15 percent of the cost of the contract performance incurred for personnel will be spent on the concern's employees or the employees of other HUBZone small business concerns; or

(4) Construction by special trade contractors, at least 25 percent of the cost of the contract performance incurred for personnel will be spent on the concern's employees or the employees of other HUBZone small business concerns.

(e) A HUBZone joint venture agrees that in the performance of the contract, the applicable percentage specified in paragraph (d) of this clause will be performed by the HUBZone small business participant or participants.

(f) A HUBZone small business concern non manufacturer agrees to furnish in performing this contract only end items manufactured or produced by HUBZone small business manufacturer concerns. This paragraph does not apply in connection with construction or service contracts.

(End of provision)

52.219-22 - Small Disadvantaged Business Status (Oct 2000)

(a) *General.* This provision is used to assess an offeror's small disadvantaged business status for the purpose of obtaining a benefit on this solicitation. Status as a small business and status as a small disadvantaged business for general statistical purposes is covered by the provision at FAR 52.219-1, Small Business Program Representation.

(b) *Representations.*

(1) *General.* The offeror represents, as part of its offer, that it is a small business under the size standard applicable to this acquisition; and either-

___(i) It has received certification by the Small Business Administration as a small disadvantaged business concern consistent with 13 CFR 124, Subpart B; and

(A) No material change in disadvantaged ownership and control has occurred since its certification;

(B) Where the concern is owned by one or more disadvantaged individuals, the net worth of each individual upon whom the certification is based does not exceed \$750,000 after taking into account the applicable exclusions set forth at 13 CFR 124.104(c)(2); and

(C) It is identified, on the date of its representation, as a certified small disadvantaged business concern in the database maintained by the Small Business Administration (PRO-Net); or

___(ii) It has submitted a completed application to the Small Business Administration or a Private Certifier to be certified as a small disadvantaged business concern in accordance with 13 CFR 124, Subpart B, and a decision on that application is pending, and that no material change in disadvantaged ownership and control has occurred since its application was submitted.

(2) ___ *For Joint Ventures.* The offeror represents, as part of its offer, that it is a joint venture that complies with the requirements at 13 CFR 124.1002(f) and that the representation in paragraph (b)(1) of this provision is accurate for the small disadvantaged business concern that is participating in the joint venture. [*The offeror shall enter the name of the small disadvantaged business concern that is participating in the joint venture: _____.*]

(c) *Penalties and Remedies.* Anyone who misrepresents any aspects of the disadvantaged status of a concern for the purposes of securing a contract or subcontract shall:

- (1) Be punished by imposition of a fine, imprisonment, or both;
- (2) Be subject to administrative remedies, including suspension and debarment; and
- (3) Be ineligible for participation in programs conducted under the authority of the Small Business Act.

(End of provision)

52.222-22 PREVIOUS CONTRACTS AND COMPLIANCE REPORTS (FEB 1999)

The offeror represents that--

(a) It--

☐ has

☐ has not--

participated in a previous contract or subcontract subject to the EQUAL OPPORTUNITY clause of this solicitation;

(b) It--

☐ has

☐ has not--

filed all required compliance reports; and

(c) Representations indicating submission of required compliance reports, signed by proposed subcontractors, will be obtained before subcontract awards.

(End of provision)

52.222-25 AFFIRMATIVE ACTION COMPLIANCE (APR 1984)

THE FAR REPRESENTATION IN THE FOLLOWING PARAGRAPH SHALL BE COMPLETED BY EACH OFFEROR WHOSE OFFER IS \$50,000 OR MORE AND WHO HAS 50 OR MORE EMPLOYEES.

This representation--

☐ DOES APPLY.

☐ DOES NOT APPLY.

The offeror represents that--

(a) It--

☐ has developed and has on file

☐ has not developed and does not have on file--

at each establishment, affirmative action programs required by the rules and regulations of the Secretary of Labor (41 CFR 60-1 and 60-2); or

(b) It--

☐ has not previously had contracts subject to the written affirmative action programs requirement of the rules and regulations of the Secretary of Labor.

(End of provision)

52.223-13 CERTIFICATION OF TOXIC CHEMICAL RELEASE REPORTING (OCT 2000)

(a) Submission of this certification is a prerequisite for making or entering into this contract imposed by Executive Order 12969, August 8, 1995.

(b) By signing this offer, the offeror certifies that—

(1) As the owner or operator of facilities that will be used in the performance of this contract that are subject to the filing and reporting requirements described in section 313 of the Emergency Planning and Community Right-to-Know Act of 1986 (EPCRA) (42 U.S.C.11023) and section 6607 of the Pollution Prevention Act of 1990 (PPA) (42 U.S.C.13106), the offeror will file and continue to file for such facilities for the life of the contract the Toxic Chemical Release Inventory Form (Form R) as described in sections 313(a) and (g) of EPCRA and section 6607 of PPA; or

(2) None of its owned or operated facilities to be used in the performance of this contract is subject to the Form R filing and reporting requirements because each such facility is exempt for at least one of the following reasons: [Check each block that is applicable.]

☐ (i) The facility does not manufacture, process, or otherwise use any toxic chemicals listed under section 313(c) of EPCRA, 42 U.S.C.11023(c);

☐ (ii) The facility does not have 10 or more full-time employees as specified in section 313(b)(1)(A) of EPCRA, 42 U.S.C.11023(b)(1)(A);

☐ (iii) The facility does not meet the reporting thresholds of toxic chemicals established under section 313(f) of EPCRA, 42 U.S.C.11023(f) (including the alternate thresholds at 40 CFR 372.27, provided an appropriate certification form has been filed with EPA);

☐ (iv) The facility does not fall within Standard Industrial Classification Code (SIC) designations 20 through 39 as set forth in section 19.102 of the Federal Acquisition Regulation; or

☐ (v) The facility is not located within any State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the United States Virgin Islands, the Northern Mariana Islands, or any other territory or possession over which the United States has jurisdiction.

(End of provision)

COST ACCOUNTING STANDARDS NOTICES AND CERTIFICATION (JUN 2000)

NOTE: This notice does not apply to small businesses or foreign governments.

This notice is in three parts, identified by Roman numerals I through III.

Offerors shall examine each part and provide the requested information in order to determine Cost Accounting Standards (CAS) requirements applicable to any resultant contract.

If the offeror is an educational institution, Part II does not apply unless the contemplated contract will be subject to full or modified CAS coverage pursuant to 48 CFR 9903.201-2(c)(5) or 9903.201-2(c)(6), respectively.

I. DISCLOSURE STATEMENT - COST ACCOUNTING PRACTICES AND CERTIFICATION

(a) Any contract in excess of \$500,000 resulting from this solicitation, will be subject to the requirements of the Cost Accounting Standards Board (48 CFR Chapter 99), except for those contracts that are exempt as specified in 48 CFR 9903.201-1.

(b) Any offeror submitting a proposal which, if accepted, will result in a contract subject to the requirements of 48 CFR Chapter 99 must, as a condition of contracting, submit a Disclosure Statement as required by 48 CFR 9903.202. When required, the Disclosure Statement must be submitted as a part of the offeror's proposal under this solicitation unless the offeror has already submitted a Disclosure Statement disclosing the practices used in connection with the pricing of this proposal. If an applicable Disclosure Statement has already been submitted, the offeror may satisfy the requirement for submission by providing the information requested in paragraph (c) of Part I of this provision.

CAUTION: In the absence of specific regulations or agreement, a practice disclosed in a Disclosure Statement shall not, by virtue of such disclosure, be deemed to be a proper, approved, or agreed-to practice for pricing proposals or accumulating and reporting contract performance cost data.

(c) Check the appropriate box below:

☐ **(1) CERTIFICATE OF CONCURRENT SUBMISSION OF DISCLOSURE STATEMENT.**

The offeror hereby certifies that, as a part of the offer, copies of the Disclosure Statement have been submitted as follows: (i) original and one copy to the cognizant Administrative Contracting Officer (ACO) or cognizant Federal agency official authorized to act in that capacity (Federal official), as applicable, and (ii) one copy to the cognizant contract auditor.

(Disclosure must be on Form Number CASB DS-1 or CASB DS-2, as applicable. Forms may be obtained from the cognizant ACO or Federal official and/or from the loose-leaf version of the Federal Acquisition Regulation.)

Date of Disclosure Statement: _____

Name and address of cognizant ACO or Federal official where filed:

The offeror further certifies that practices used in estimating costs in pricing this proposal are consistent with the cost accounting practices disclosed in the Disclosure Statement.

☐ **(2) CERTIFICATE OF PREVIOUSLY SUBMITTED DISCLOSURE STATEMENT.**

The offeror hereby certifies that Disclosure Statement was filed as follows:

Date of Disclosure Statement: _____

Name and address of cognizant ACO or Federal official where filed:

The offeror further certifies that the practices used in estimating costs in pricing this proposal are consistent with the cost accounting practices disclosed in the applicable Disclosure Statement.

☐ (3) **CERTIFICATE OF MONETARY EXEMPTION.**

The offeror hereby certifies that the offeror, together with all divisions, subsidiaries, and affiliates under common control, did not receive net awards of negotiated prime contracts and subcontracts subject to CAS totaling \$50 million or more in the cost accounting period immediately preceding the period in which this proposal was submitted. The offeror further certifies that if such status changes before an award resulting from this proposal, the offeror will advise the Contracting Officer immediately.

☐ (4) **CERTIFICATE OF INTERIM EXEMPTION.**

The offeror hereby certifies that (i) the offeror first exceeded the monetary exemption for disclosure, as defined in (3) of this subsection, in the cost accounting period immediately preceding the period in which this offer was submitted and (ii) in accordance with 48 CFR 9903.202-1, the offeror is not yet required to submit a Disclosure Statement. The offeror further certifies that if an award resulting from this proposal has not been made within 90 days after the end of that period, the offeror will immediately submit a revised certificate to the Contracting Officer, in the form specified under subparagraph (c)(1) or (c)(2) of Part I of this provision, as appropriate, to verify submission of a completed Disclosure Statement.

CAUTION: Offerors currently required to disclose because they were awarded a CAS-covered prime contract or subcontract of \$50 million or more in the current cost accounting period may not claim this exemption (4). Further, the exemption applies only in connection with proposals submitted before expiration of the 90-day period following the cost accounting period in which the monetary exemption was exceeded.

II. COST ACCOUNTING STANDARDS - ELIGIBILITY FOR MODIFIED CONTRACT COVERAGE

If the offeror is eligible to use the modified provisions of 48 CFR 9903.201-2(b) and elects to do so, the offeror shall indicate by checking the box below. Checking the box below shall mean that the resultant contract is subject to the DISCLOSURE AND CONSISTENCY OF COST ACCOUNTING PRACTICES clause in lieu of the COST ACCOUNTING STANDARDS clause.

☐ The offeror hereby claims an exemption from the COST ACCOUNTING STANDARDS clause under the provisions of 48 CFR 9903.201-2(b) and certifies that the offeror is eligible for use of the DISCLOSURE AND CONSISTENCY OF COST ACCOUNTING PRACTICES clause because during the cost accounting period immediately preceding the period in which this proposal was submitted, the offeror received less than \$50 million in awards of CAS-covered prime contracts and subcontracts. The offeror further certifies that if such status changes before an award resulting from this proposal, the offeror will advise the Contracting Officer immediately.

CAUTION: An offeror may not claim the above eligibility for modified contract coverage if this proposal is expected to result in the award of a CAS-covered contract of \$50 million or more or if, during its current cost accounting period, the offeror has been awarded a single CAS-covered prime contract or subcontract of \$50 million or more.

III. ADDITIONAL COST ACCOUNTING STANDARDS APPLICABLE TO EXISTING CONTRACTS

The offeror shall indicate below whether award of the contemplated contract would, in accordance with subparagraph (a)(3) of the COST ACCOUNTING STANDARDS clause, require a change in established cost accounting practices affecting existing contracts and subcontracts.

☐ YES

☐ NO

252.209-7001 DISCLOSURE OF OWNERSHIP OR CONTROL BY THE GOVERNMENT OF A TERRORIST COUNTRY (MAR 1998)

(a) *Definitions.* As used in this provision-

(1) "Government of a terrorist country" includes the state and the government of a terrorist country, as well as any political subdivision, agency, or instrumentality thereof.

(2) "Terrorist country" means a country determined by the Secretary of State, under section 6(j)(1)(A) of the Export Administration Act of 1979 (50 U.S.C. App. 2405(j)(i)(A)), to be a country the government of which has repeatedly provided support for acts of international terrorism. As of the date of this provision, terrorist countries include: Cuba, Iran, Iraq, Libya, North Korea, Sudan, and Syria.

(3) "Significant interest" means-

(i) Ownership of or beneficial interest in 5 percent or more of the firm's or subsidiary's securities. Beneficial interest includes holding 5 percent or more of any class of the firm's securities in "nominee shares," "street names," or some other method of holding securities that does not disclose the beneficial owner;

(ii) Holding a management position in the firm, such as a director or officer;

(iii) Ability to control or influence the election, appointment, or tenure of directors or officers in the firm;

(iv) Ownership of 10 percent or more of the assets of a firm such as equipment, buildings, real estate, or other tangible assets of the firm; or

(v) Holding 50 percent or more of the indebtedness of a firm.

(b) *Prohibition on award.* In accordance with 10 U.S.C. 2327, no contract may be awarded to a firm or a subsidiary of a firm if the government of a terrorist country has a significant interest in the firm or subsidiary or, in the case of a subsidiary, the firm that owns the subsidiary, unless a waiver is granted by the Secretary of Defense.

(c) *Disclosure.* If the government of a terrorist country has a significant interest in the Offeror or a subsidiary of the Offeror, the Offeror shall disclose such interest in an attachment to its offer. If the Offeror is a subsidiary, it shall also disclose any significant interest the government of a terrorist country has in any firm that owns or controls the subsidiary. The disclosure shall include-

(1) Identification of each government holding a significant interest; and

(2) A description of the significant interest held by each government.

(End of provision)

252.247-7022 REPRESENTATION OF EXTENT OF TRANSPORTATION BY SEA (AUG 1992)

(a) The offeror shall indicate by checking the appropriate blank in paragraph (b) of this provision whether transportation of supplies by sea is anticipated under the resultant contract. The term "supplies" is defined in the TRANSPORTATION OF SUPPLIES BY SEA clause of this solicitation.

(b) REPRESENTATIONS.

The offeror represents that it--

[] Does anticipate that supplies will be transported by sea in the performance of any contract or subcontract resulting from this solicitation.

[] Does not anticipate that supplies will be transported by sea in the performance of any contract or subcontract resulting from this solicitation.

(c) Any contract resulting from this solicitation will include the TRANSPORTATION OF SUPPLIES BY SEA clause. If the offeror represents that it will not use ocean transportation, the resulting contract will also include the Defense FAR Supplement clause at 252.247-7024, NOTIFICATION OF TRANSPORTATION OF SUPPLIES BY SEA.

(End of provision)

SECTION L

Instructions, Conditions, and Notices to Offerors

L.1 52.252-1: Solicitation Provisions Incorporated by Reference (IAW FAR 52.107[a])

This solicitation incorporates one or more solicitation provisions by reference, with the same force and effect as if they were given in full text. Upon request, the Contracting Officer will make their full text available. The Offeror is cautioned that the listed provisions may include blocks that must be completed by the Offeror and submitted with its quotation or offer. In lieu of submitting the full text of those provisions, the Offeror may identify the provision by paragraph identifier and provide the appropriate information with its quotation or offer.

The full text of a solicitation provision may be accessed electronically at these addresses:
<http://farsite.hill.af.mil> (all provisions) and <http://www.arnet.gov/far>.

The following FAR and DFARS clauses are incorporated by reference:

Paragraph	Clause Title	Date
52.204-6	Data Universal Numbering System (DUNS) Number (IAW FAR 4.603[a])	Jun 1999
52.211-14	Notice of Priority Rating for National Defense Use (IAW FAR 11.604[a]) For the purposes of this provision, the blanks are completed on the cover sheet.	Sep 1990
52.215-1	Instructions to Offerors—Competitive Acquisitions (IAW FAR 15.209[a])	Feb 2000
52.215-1	Alt I (IAW FAR 15.209[a][1])	Oct 1997
52.215-1	Alt II (IAW FAR 15.209[a][2])	May 2001
52.215-16	Facilities Capital Cost of Money – see Clause H.9 (IAW FAR 15.408[h])	Oct 1997
52.215-20	Requirement for Cost or Pricing Data or Information other than Cost or Pricing Data Alt IV (IAW FAR 15.408[j][4])	Oct 1997
52.222-24	Pre-award On-Site Equal Opportunity Compliance (Evaluation) (IAW FAR 22.810[c])	Feb 1999
52.237-1	Site Visit (IAW FAR 37.110[a])	Apr 1984

Paragraph	Clause Title	Date
252.204-7001	Commercial and Government Entity (CAGE) Code Reporting (IAW DFARS 204.602-70)	Aug 1999

L.2 Other Solicitation Provisions

52.216-1 Type of Contract (Apr 1984) applies to non-regulated offers only

The Government may award a Fixed Price, Fixed Price with Economic Price Adjustment, or Fixed Price – Price Redetermination Prospective utility services contract resulting from this solicitation.

(End of provision)

52.233-2 Service of Protest (Aug 1996)

(a) Protests, as defined in section 33.101 of the Federal Acquisition Regulation, that are filed directly with an agency, and copies of any protests that are filed with the General Accounting Office (GAO), shall be served on the Contracting Officer (addressed as follows) by obtaining written and dated acknowledgment of receipt from:

Laverne M. Tillson
 Attn.: DESC-EC
 Defense Energy Support Center
 8725 John J. Kingman Rd.
 Suite 4950
 Ft. Belvoir, VA 22060-6222

(b) The copy of any protest shall be received in the office designated above within one day of filing a protest with the GAO.

(End of provision)

L.2 Information to Offerors

L.2.1 General Information

L.2.1.1 Contractor Selection

Selection of a Contractor will be based on a best value determination consistent with the evaluation factors described in Section M, *Evaluation Factors for Award*. Pursuant to the provisions of the Clause at FAR 52.215-1, *Instructions to Offerors - Competitive Acquisition*, the Government intends to negotiate with all responsible offerors whose proposals are determined to be within the competitive range. FAR 15.306, *Exchanges with offerors after receipt of proposals*, requires that the contracting officer establish a competitive range. Those offerors outside the competitive range will not be permitted to continue in the procurement and will be notified in writing. Offerors are encouraged to submit their best offer as their initial offer.

L.2.1.2 Offers for Multiple Systems

This solicitation requires mandatory bundling of the Potable Water Distribution and Treatment System and the Wastewater Collection and Treatment System. The bundled package must include a separate Schedule B-1, B-2, B-3, and/or B-4, as appropriate, for each of the two utility systems for evaluation purposes. Bundled offers that do not include a separate price for each line item will not be considered for award. For the purposes of the economic comparison required by 10 USC Section 2688, each system will be analyzed separately.

L.2.1.3 Point of Contact

The Procuring Contracting Officer (PCO) is the sole point of contact for this acquisition. Address any and all questions or concerns in writing to the PCO:

Name: Laverne M. Tillson

Address: 8725 John J. Kingman Road, Suite 4950; ATTN: DESC-EC

City, State, Zip Code: Fort Belvoir, VA 22060-6222

Fax no: 703-767-2382

E-mail: Laverne.Tillson@dla.mil

L.2.1.4 Debriefings

All Offerors may request debriefings by providing a written request to the PCO at the address located in Block 8 of Section A within 3 calendar days after receiving notification from the PCO of elimination from the competitive range or award of contract. To the maximum extent practicable, debriefings will be conducted within 5 days of the debriefing request.

If an Offeror believes that the requirements in these instructions contain an error or omission, or are otherwise unsound, the Offeror shall immediately notify the PCO in writing with supporting rationale.

L.2.1.5 Use of Non-Government Advisors

Offerors are advised that data submitted to the Government in response to this solicitation may be released to non-government advisors for review and analysis. These advisors may be required to provide advice within their area of expertise regarding proposal strengths, weaknesses, inadequacies, risks, and deficiencies. Non-government advisors will be subject to civil and criminal penalties associated with any release of information pursuant to FAR Part 3.104.

If the Offeror has any objection to non-government advisor access to their proposal information, the Offeror shall provide grounds and justification for their objections. The non-government advisors are:

C. H. Guernsey, Inc.
Northrop Grumman
Mantech Integrated Data Systems

Note: The companies listed above may not assist or participate in preparation or submission of any proposal associated with this acquisition.

L.2.1.6 Site Visits

Pursuant to FAR 52.237-1, *Site Visit*, a site visit(s) will be scheduled (see below). All Offerors intending to submit an offer on a utility system may attend the site visit. The site visit is intended to provide prospective Offerors with adequate information to prepare proposals. Pot holing (digging up underground utilities to check/verify condition) by the attendees during the site visit will not be permitted.

A pre-proposal conference will be held where Offerors will be given the opportunity to ask questions. Results of the pre-proposal conference will be documented and made available to all interested Offerors.

The following is the schedule for the site visits and pre-proposal conference (subject to change):

(1) Pre-proposal Conference:

<u>Location</u>	<u>Date</u>	<u>Time</u>
Fort Meade	April 29, 2004	1300 - 1600

L.2.1.7 Technical Library

A Technical Library will be available from TBD until the proposal due date for Offerors to view data related to utility systems. Offerors should contact the Fort Meade DPW Energy Contracts Projects Office to arrange entrance into the Library. The Technical Libraries are located at Fort Meade, Maryland.

L.2.1.8 Proprietary Information

Information deemed by the Offeror to be proprietary shall be clearly marked as proprietary information. Proposals submitted in response to this solicitation will not be returned.

L.2.1.9 Period of Validity

The proposal shall be valid for 300 days from the required submission date.

L.2.2 Notices and Reservations

L.2.2.1 The Government will only acquire utility services if it conveys the related utility system(s). The Government can only convey the utility system(s) if it determines that (1) the long-term economic benefit of the conveyance to the United States exceeds the long-term economic cost of the conveyance to the United States, and (2) the conveyance will reduce the long-term costs of the United States for utility services provided by the utility system concerned.

L.2.2.2 The Government reserves the right to make no award to any Offeror.

L.2.3 Number of Awards

If the Contractor is awarded multiple systems a single award will be made for the systems. Therefore, the number of awards may be less than the number of systems listed in the RFP.

L.2.4 Applicable DLAD Provisions

The following provisions of the Defense Logistics Agency Directive (DLAD) are applicable to this solicitation:

AGENCY PROTESTS (DEC 1999) - DLAD

Companies protesting this procurement may file a protest (1) with the Contracting Officer, (2) with the General Accounting Office, or (3) pursuant to Executive Order No. 12979, with the Agency for a decision by the Activity's Chief of the Contracting Office. Protests filed with the Agency should clearly state that they are an "Agency Level Protest under Executive Order No. 12979." (**NOTE:** DLA procedures for Agency Level Protests filed under Executive Order No. 12979 provide for a higher level decision on the initial protest than would occur with a protest to the Contracting Officer. This process is not an appellate review of a Contracting Officer's decision on a protest previously filed with the Contracting Officer.) Absent a clear indication of the intent to file an agency level protest, protests will be presumed to be protests to the Contracting Officer.

(DLAD 52.233-9000)

L.3 Proposal Preparation Instructions – General

This section provides general guidance for preparing proposals and proposal revisions, as well as specific instructions on the format and content of the proposal. The Offeror's proposal must include all data and information requested by these instructions and must be submitted in accordance with these instructions.

The Government will read/evaluate only the maximum number of pages allowed. Nonconformance with the specified organization, content, and page limitations may be cause for proposal rejection.

L.3.1 Proposal Organization/Page Limits

Offerors shall prepare the proposal as set forth in the table below. The titles, contents, and page limits of each volume shall be as defined in the table below.

Volume	Paragraph Number	Title	Maximum Page Limit
I		Technical Proposal (Written)	200 (PER SYSTEM)
II		Past Performance	50 (TOTAL)
III		Contract Documentation	None
IV		Price Proposal	None

L.3.2 Proposal Format

The proposal shall be clear and concise, and shall include sufficient detail for effective evaluation and for substantiating the validity of stated claims. The proposal shall not simply restate or rephrase the Government's requirements, but rather provide a convincing rationale explaining how the Offeror intends to meet these requirements. Offerors shall assume that the Government has no prior knowledge of their facilities and experience, and will base its evaluation on the information presented in the Offeror's proposal.

Each volume shall be written on a stand-alone basis so that its contents may be evaluated without cross-referencing.

Elaborate graphics, multi-media functions (for example, video clips or sound bites), or other embellishments are not desired.

L.3.3 Distribution

Offeror shall submit a signed original hard copy in a three-ring binder. Four (4) additional copies shall be submitted on CD ROM disks.

L.3.4 Electronic Media

Offerors shall submit their electronic proposals on CD ROM disks. All volumes shall be submitted on one CD. With the exception of the Price proposal, Offeror shall submit proposal files in *Windows 98 or newer version* format with a table of contents (roadmap) of the proposal structure. The minimum requirement for hypertext link is a table of contents linked to each file provided in the proposal. Additional hypertext links within the proposal are at the Offeror's discretion.

The Price Volume shall be submitted in application-specific files developed and saved using the following versions of Microsoft software: *Windows 98 or newer version*. Electronic proposal files should be no more than four megabytes (4MB) in size. Offeror's are encouraged to refrain from incorporating detailed graphic items (other than any plans or drawings) as they are not required or desired. Any scanned documents incorporated into an Offeror's proposal shall be split into multiple files so that each individual file is no more than 4MB. If multiple files are required for a given volume, Offerors shall organize their electronic submission so that each volume is contained in a separate directory. Each CD shall contain an electronic label, which is to be established on the CD when the CD is formatted. No password-protected, zipped, or self-extracting files shall be used.

Offerors should take reasonable precautions to insure that CDs provided are free of viruses. Offerors are reminded that if the hard copy version contains restrictive legends the CD shall contain the same markings.

L.3.5 Pages and Typing

Page size shall be 8½ by 11 inches (*Windows 98 or newer version* portrait format) or 11 by 8½ inches (*Windows 98 or newer version* landscape format). Landscape pages may be used only for large tables, charts, graphs, and diagrams, not for pages of text. Page size 11 by 17 inches may only be used for tables, figures/diagrams, illustration/drawings, and maps. Pages sized 11 by 17 inches will be counted as two pages.

Text shall be single-spaced in 11-point font. Font size of 10 point may be used for tables, captions, matrices, maps, and header and footer information. For charts, graphs, and figures/diagrams, the font shall be no smaller than 5 point. Use at least 1-inch margins on the top and bottom and 1-inch side margins. Pages will be numbered by section within each volume. These page format restrictions shall also apply to responses to any correspondence provided during the negotiation process.

Page limitations shall be treated as maximums. If exceeded, excess pages will not be read or considered in the evaluation of the proposal.

Each page shall be counted except for the following: cover pages, table of contents, cross-reference matrix, tabs, glossaries, and attachments (tariffs, statutes, operating manuals, performance specifications, etc).

L.3.6 Information other than Cost or Pricing Data

All information other than cost or pricing data, except that described below, shall only be addressed in the price proposal. Cost trade-off information, work-hour estimates, and material kinds and quantities may be used in other volumes as appropriate to support design and trade-off decisions.

L.3.7 Proposal Structure

Each section or part of the Offeror's proposal shall clearly identify the specific solicitation requirements it addresses.

L.3.8 Glossary of Abbreviations and Acronyms

The Government recommends that each volume contain a glossary of abbreviations and acronyms. Glossaries will not count against the page limitations for their respective volumes.

L.3.9 Documents Incorporated by Reference

Offerors may incorporate by reference documents such as statutes, tariffs, operating manuals, performance specifications, etc. within the proposal volumes. However, the full text documents shall be provided as attachments to the appropriate volume.

L.3.10 Proposal Revisions

When submitting revised proposals Offerors shall submit changes in accordance with the following:

1. Proposal revisions shall be submitted as one original paper copy and 2 electronic copies on CD ROM disks.
2. In the upper right corner of each revised page, include the Offeror's name, exact location (volume, section, page number, etc.) within the original proposal, and date of transmittal.
3. Changes shall be marked by a change bar in the margin to indicate the changed part of each page.
4. If the revision exceeds one page, each page shall be marked with the page number it is replacing and a numerical or alphabetical extension (i.e. 93-a...93-d).
5. For each deleted page, a blank page shall be submitted denoted with "page intentionally left blank" and the original page number.

L.4 Proposal Preparation Instructions – Volume I: Technical Proposal

The Technical Proposal Volume should be specific and complete. A separate Volume I must be submitted for each type of utility system included in the proposal. For proposals that include the same type of utility system on more than one Installation a single volume may be submitted. However, Offerors shall specifically address Installation specific requirements as part of the volume.

The technical proposal shall describe the Contractor's capability to provide the level of utility service required by this contract. It should be specific and complete in every detail. Proposals that merely offer to provide service in accordance with Section C, *Description/Specifications/Work Statement*, will be considered technically unacceptable and will not be considered further.

The technical proposal shall specifically address each of the Technical Capability subfactors.

The Technical Capability subfactors are:

1. Service Interruption/Contingency Plan
2. Operations and Maintenance Plan/Quality Management Plan
3. Capital Upgrades and Renewals and Replacements Plan
4. Operational Transition Plan
5. Financial Strength

L.4.1 Subfactor 1: Service Interruption/Contingency Plan

Offeror shall submit a Service Interruption/Contingency Plan IAW the applicable requirements of Section C, *Description/Specifications/Work Statement*, paragraph C.7, *Response to Service Interruptions and Contingencies* and paragraph C.8, *Repair Response Notification Procedures*. The Service Interruption/Contingency Plan will be incorporated into the contract at time of award.

The Service Interruption/Contingency Plan should, at a minimum, address the following:

1. Defined procedures and provisions for reacting to all service interruptions.
2. Resources to be utilized in the implementation of the procedures described in the Plan including a description of the staffing and management personnel that will be available to insure prompt response to emergency situations.
3. Detailed contingency plan of action (including Government notifications)
4. Estimated response times for each type of service call (e.g. emergency, urgent, and routine).
5. Describe the procedure for handling each type of service call (e.g. emergency, urgent, routine) from notification to completion (use diagrams, Gantt Charts, flow chart, etc. if necessary).
6. Estimated time for reestablishment of temporary service
7. Estimated time for reestablishment of permanent service
8. Emergency Restoration Plan in the event of widespread utility outage
9. Installation specific requirements.
10. Address possible causes for service interruptions and show how each would be handled both internally and externally by the contractor's company including, but not necessarily limited to, acts of God, natural disasters, human error, equipment failure, and employee strikes.

L.4.2 Subfactor 2: Operations and Maintenance/Quality Management Plan

Offeror shall submit an Operations and Maintenance/Quality Management Plan IAW the requirements of Section C, *Description/Specifications/Work Statement*, paragraph C.12, *Operations and Maintenance/Quality Management*. The Operation and Maintenance/Quality Management Plan will be incorporated into the contract at time of award. The Plan shall describe the Contractor's operations and maintenance and quality management policies and procedures. The Plan shall propose performance standards and/or specifications for the provision of utility service.

When developing the Plan, the elements listed below (Table L-1) should be considered if applicable.

Table L-1

Water System	Wastewater System
Quality	Effluent Quality
Reliability	Reliability

Recurring and Preventative Maintenance	Recurring and Preventative Maintenance
Sampling/ Analysis	Sampling/ Analysis
Maintaining System Pressure	Permitting
Demand and Distribution Capacity	Demand and Collection Capacity
Water Storage Requirements	Pre-Treatment Requirements
Fire Flow Capacity/ Duration	(Left Blank)
Corrosion Control (To Include Cathodic Protection)	Corrosion Control (To Include Cathodic Protection)
Minimization of Leaks and Losses	(Left Blank)
Minimization of Water Use	Minimization of Inflow and Infiltration
Safety of Government Personnel and Property	Safety of Government Personnel and Property
Service Connection Standards and Specifications	Service Connection Standards and Specifications
Exterior Backflow Prevention	Blockages and Cross Connections
Water and Sewer Line Separation	Water and Sewer Line Separation
New Construction Standards	New Construction Standards
Commissioning Standards	Commissioning Standards
Color Identification and Markings	Color Identification and Markings
System Inspections	System Inspections
Meter and Equipment Calibration	Meter and Equipment Calibration
Service Interruption Frequency	Service Interruption Frequency
Operating Permits	Operating Permits
Employee Certifications	Employee Certifications

The utility system(s) shall be operated and maintained in accordance with all applicable federal, state, and local laws/regulations and the most current version of any specific requirements defined in the utility-specific attachments (Section J). At a minimum, performance standards and/or specifications shall follow best engineering and management practices consistent with the following:

1. Potable water distribution and treatment and wastewater collection and treatment utility systems: The most recent edition of reference materials published by the American Water Works Association (AWWA), Water Environment Federation (WEF), American Society of Civil Engineers (ASCE), National Fire Protection Association (NFPA), and Factory Mutual Global.
2. Additional standards for operations and maintenance of the utility system the Offeror proposes.

Additionally, the Plan shall include, but is not limited to, the following:

1. A comprehensive narrative description of how the Contractor plans to operate and maintain the utility system(s) in a manner that will satisfy, at a minimum, the requirements in this solicitation.
2. Processes for obtaining customer feedback and translating feedback into appropriate process improvements.
3. A comprehensive narrative description of how the Contractor plans to implement a proven system of inspections or other quality assessment procedures and techniques.
4. Record keeping processes.
5. For wastewater treatment systems, an Environmental Compliance Plan from waste generation through waste discharge or disposal. This plan shall clearly define all interface points and responsibilities for transferring materials from the wastewater system between the Government, Contractor, disposal facilities, and any regulatory bodies.
6. For each of the proposed performance standards and/or specifications, if applicable, listed in Table L-1, a description of how the performance standard and/or specification will be met.
7. Standards and specifications not established anywhere else in the solicitation.
8. Definition of the process by which Government requested facility expansions would be implemented by the Contractor.
9. Description of how the proposal satisfies the requirements related to compliance with applicable environmental, safety and OSHA laws and regulations.
10. A listing and description of opportunities for efficiencies in utility operations. Opportunities for efficiencies will consist of market based solutions to improve system utilization as well as technological enhancements. The Contractor will also identify cost savings associated with the opportunities for efficiencies included within its proposal.
11. Description of how technical information shall be managed and the means by which access will be provided to the Government and other Government Contractors.
12. Specialty skills training (if required).
13. Offeror may describe any quality awards or certifications that indicate the Offeror possesses a high-quality process for providing required services. Such awards or certifications include, for example, the Malcolm Baldrige Quality Award, other government quality awards, and private sector awards or certifications.

If relevant, regulated utilities may cite current operating standards and procedures required by the state utility regulatory commission in satisfaction of the above requirements.

L.4.3 Subfactor 3: Initial Capital Upgrades and Initial Renewals and Replacements Plan

Offeror shall submit an Initial Capital Upgrades and Initial Renewals and Replacements Plan IAW applicable requirements of Section C, *Description/Specifications/Work Statement*. An Initial Capital Upgrades and Initial Renewals and Replacements Plan will be incorporated into the contract at time of award.

The Initial Capital Upgrades and Initial Renewals and Replacements Plan shall describe in detail the purpose, scope and cost of the initial capital upgrades and provide a detailed description of the Contractor's procedures for identifying, financing and scheduling long-term capital renewals and upgrades. The plan shall include, at a minimum, the following:

1. Detailed description of all proposed initial capital upgrades and initial renewals and replacements to the utility system. A schedule for implementing proposed capital upgrades and initial renewals and replacements shall be included.
2. Identification, justification, and detailed description of any Contractor-recommended additional upgrades and/or improvements to increase the efficiency of system operations.
3. As applicable, conceptual plans for, including methods for monitoring the effectiveness of, energy efficiencies and conservation projects for purposes as defined in paragraph C.3.4, *Energy and Water Efficiency and Conservation*.
4. Conceptual methodology that will be used for scheduling renewals and replacements for the duration of the contract to ensure long-term efficient level of service. In addition to the conceptual methodology, the detailed 50-year renewal and replacement schedule (B.7.3 Schedule 2) should be included with the technical proposal (without costs).
5. Describe in detail the Contractor's procedures for identifying, financing and scheduling long-term capital renewals and upgrades.
6. Description of proposed process for satisfactorily responding to requests made by the Government for system enhancements, including financing and Installation arrangements.

L.4.4 Subfactor 4: Operational Transition Plan

The Offeror shall submit an Operational Transition Plan IAW Section C, *Description/Specifications/Work Statement*, paragraph C.13, *Operational Transition Plan*. The transition plan shall propose an adequate schedule for turnover of the facilities, equipment, permits, operation and maintenance, and other responsibilities to include any new construction, installation of meters required for utility billing, turnover of meter readings and billing responsibilities, and the process for evaluating existing employees for employment. The Operational Transition Plan should discuss any system condition that might require the Offeror to accomplish work in advance of title transfer. An appropriate remedy for the condition should be proposed as part of the Offeror's capital upgrades plan. The Operational Transition Plan shall clearly define all Contractor personnel holding authority to sign for transfer of operations and property. This shall include the name, title, and clear definition of authority or limitations in authority for each person who will sign for acceptance of final transition. The paragraphs below constitute the minimum requirements for the Operational Transition Plan. Installation and utility-specific transition items are listed in the utility-specific attachments (Section J). In no case shall the Government sign off any transition element until the Contractor demonstrates full capability or the element is otherwise completed.

L.4.4.1 Performance Start Date

The Contractor shall propose a date on which the Contractor will assume full responsibility for the utility system(s) and for providing utility service(s) (see F.2, *Commencement of Service*). The Contractor will also outline its plans for onsite familiarization and the transition of system operations including procedures for operation and maintenance during the transition.

L.4.4.2 Connection Requirements

The Operational Transition Plan shall include a plan and schedule for the construction of new connections, if identified in the utility-specific attachments (Section J), or any new connections as proposed by the Contractor. The Operational Transition Plan shall include procedures for notification of any related outages.

L.4.4.3 New Meter Requirements

The Operational Transition Plan shall include a plan and schedule for installing new meters, as specified in Section J01, paragraph 4.2, Required New Secondary Meters. The Contractor shall install and maintain water meters as outlined in Section J01. All new meters on existing facilities required by this contract shall be installed within 180 days of the start of the performance period. Meters associated with undergoing and future new construction will be coordinated as identified in Section J01.

L.4.4.4 Permits and Procedures

The Government will make initial notification to state agencies regarding the termination or transfer of environmental permits and/or other items, if needed. The Operational Transition Plan shall include a plan and schedule for the transfer or acquisition of permits as required. It is essential that advanced planning occur and the Contractor initiate the acquisition of permits within 1 week after contract award.

L.4.4.5 Inventory and Transfer Requirements

Checklists will be the basis for the transfer of operations to the Contractor.

L.4.4.5.1 Inventory and Transfer of Facilities and Fixed Equipment

The Operational Transition Plan shall include a detailed plan, schedule, and checklist for the joint inventory of all facilities and fixed equipment, to include building structures and installed equipment.

L.4.4.5.2 Inventory and Transfer of Non-fixed Equipment, Spare Parts, and Personal Property

The Operational Transition Plan shall include a detailed plan, schedule, and checklist for the joint inventory of personal property transferring from the Government to the Contractor.

L.4.4.5.3 Transfer of Manuals and Records

The Operational Transition Plan shall include a detailed plan, schedule, and checklist for the joint inventory of all operating manuals, record drawings, plans and specifications, maintenance records, and other such information available for each utility.

L.4.4.5.4 Joint Inventory

The joint inventory will be completed prior to the start of the performance period. The final Easement and Bill of Sale will be amended to reflect the results of the joint inventory.

L.4.4.6 Initial Meter Readings

The Operational Transition Plan shall include a description and schedule for joint meter readings for secondary meters in place prior to transition.

L.4.4.7 Authorized Personnel and Points of Contact

The Operational Transition Plan shall clearly define all Contractor personnel holding authority to sign for transfer of operations and property. The Operational Transition Plan shall also provide Contractor points of contact (names and phone numbers) for work to be performed under the contract.

L.4.4.8 Integration of Installation Procedures

The Offeror's plan on how the Offeror will integrate Installation procedures in terms of operating hours, security, scheduling of necessary outages, emergency contacts, permits, road closures, etc.

L.4.4.9 Subsequent Transitions

The Plan shall address how subsequent transitions will be planned and organized in the event the Contractor sells, assigns or otherwise transfers the utility system.

In no case shall the Government sign off any transition element until the Contractor demonstrates full capability or the element is otherwise completed.

L.4.5 Subfactor 5: Financial Strength

Offeror(s) shall submit documentation of financial capabilities IAW Provision M.3, *Evaluation Factors and Subfactors*. Financial capability shall demonstrate that the Offeror is in sound financial condition and has the ability to secure the necessary financing to meet the financial and capital requirements of the utility system both now and in the future. Offerors shall describe in detail their capability to finance the utility system purchase price, CIAC tax payment and capitalization principal, renewals and replacements, and upgrades. Additionally, Offerors may describe how they will utilize other financial instruments (e.g., performance bonds, additional insurance coverage, etc.) to mitigate operational risks to the Government over the term of the contract.

At a minimum, the Offeror shall submit the following criteria for the past five years; Interest Coverage, Funds from Operation (FFO) to Interest Ratio, FFO to Total Debt Percentage, Total Debt to Total Capital Ratio (Debt Ratio), and Disaster Recovery Ratio (DRR), in order to accurately characterize the Offeror's financial condition. Offerors should also submit current bond ratings (e.g. from Moodys, Standard and Poors, or any other investment publication).

Financial Strength Ratio Table					
Ratio	Year X	Year X-1	Year X-2	Year X-3	Year X-4
1. Interest Coverage					
2. Funds from Operation (FFO) to Interest Ratio					
3. FFO to Total Debt Percentage					
4. Total Debt to Total Capital Ratio					
5. Disaster Recovery Ratio (DRR)					

DEFINITIONS:

Interest Coverage: Pretax Operating Income / Gross Interest Expense

Funds From Operations (FFO): Net Income + Depreciation + Deferred Taxes + Investment Tax Credits + Allowance for Funds Used During Construction (AFUDC) + Deferrals + Other FFO Adjustments

Average Total Debt: (Long-Term Debt + Short-Term Debt) of current period / 2 + (Long-Term Debt + Short-Term Debt) of prior period / 2

Interest Expense: Gross Interest Expense as the sum of Long-Term and Short-Term interest (e.g. before any deduction for the debt portion of AFUDC)

Total Debt: Short-Term Debt + Long-Term Debt

Total Capital: Short-Term Debt + Long-Term Debt + Preferred Stock + Common Equity

Disaster Recovery Cash Requirement (DRCR): Replacement Cost New x Maximum Recovery Ratio (defined as the maximum proportion of the installation's utility system likely to be destroyed in a disaster or catastrophe)

Maximum Proportion of Utility System able to be destroyed =

Water – with Elevated Storage = 35% x Utility Plant (Replacement Cost New)

Water – without Elevated Storage = 10% x Utility Plant (Replacement Cost New)

Wastewater – with Treatment = 35% x Utility Plant (Replacement Cost New)

Wastewater – without Treatment = 10% x Utility Plant (Replacement Cost New)

Disaster Recovery Ratio (DRR): DRCR / Total Capital

L. 5 Proposal Preparation Instructions – Volume II: Past Performance

The Offeror shall submit to the Contracting Officer its past performance information (contact references per Section L, Attachment 1) with its proposal. An original hard copy of the Offeror's past performance information shall be submitted within a three-ring binder.

Offerors shall provide information for up to 6 of its largest customers about their past performance on projects of similar complexity and type as that required in the RFP. Offerors shall present the information requested in attachment 1 below as part of their proposal for both the Offeror and major (over \$500,000) proposed subcontractors. Past performance references and contracts submitted may include those with Federal, State, or local governments, and those with commercial or private customers of similar scope, size and complexity for efforts similar to the Government requirement. Projects cited and references should be recent (within the last 5 years of the date of the proposal). Reference information should include the name and address of the customer, primary point of contact and telephone number, and a brief description of the services and facilities provided.

If the Offeror fails to provide valid client contacts, past performance references may not be considered. The Government may contact the Offeror's references to determine customer satisfaction with the Offeror's performance.

Offerors shall provide a list of all system acquisitions in the last 5 years or all contracts and subcontracts currently in progress, which are of similar scope, magnitude, and complexity. Contracts

listed may include those entered into by the Federal Government, agencies of state and local governments and commercial customers. The list must include, as a minimum, the following:

1. Name of acquisition or project.
2. Brief description of contract or subcontract.
3. Total contract value.
4. Period of performance.
5. Principal parties involved and telephone numbers.

The Offeror shall provide references for any proposed subcontractors that will be performing a significant portion of the work, and for each firm participating in a joint venture or teaming arrangement. A Standard Form 294 is a suitable alternative.

The Offeror shall provide a written statement concerning its status with any independent Federal, state, or local regulatory authority with jurisdiction over each utility service on which the Offeror is bidding. The statement should include discussion on any violations, penalties, or other enforcement actions taken against the Offeror within the last five (5) years. The Offeror should not include information on any current investigations if releasing such information would be deemed a violation of law. The statement should include the following:

1. Name of regulatory authority.
2. Address and telephone number of authority.
3. Point of contact within the authority for verification.

L.6 Proposal Preparation Instructions – Volume III - Contract Documentation

L.6.1 Standard Form (SF) 33 & Representations and Certifications

Volume III shall include the following:

1. A completed, signed and dated SF 33. The *original* copy should be clearly marked under separate cover and should be provided without any punched holes.
2. Completed Section K.

L.6.2 Alternate Proposals and Exceptions to Terms and Conditions

The Government encourages the submission of alternate proposals, which add value when compared with the requirements in the RFP. Provide a rationale explaining the advantages of the alternate proposal to the Government. In addition, exceptions may be taken to individual terms and conditions of the RFP. Exceptions taken to individual terms and conditions of the RFP shall be clearly identified. Each exception shall be specifically related to each paragraph and/or specific part of the RFP to which the exception is taken. Provide a rationale in support of the exception, explaining its effect in comparison with the original requirements of the RFP. This information shall be provided in the format and content of the table below. Unless included in this volume, no exceptions to terms and conditions will be assumed and any resultant contract will incorporate the terms and conditions of the RFP.

RFP Exceptions

RFP Document	Paragraph/ Page	Requirement/ Portion	Rationale
SOW, RFP Model Contract, etc.	Applicable page and paragraph numbers	Identify the requirement or portion to which exception is taken	Justify why the requirement will not be met or discuss reasons why not meeting the Government's terms and conditions might be advantageous to the Government

L.6.3 Other Required Information

L.6.3.1 Authorized Personnel

The Offeror shall provide the name, title, and telephone number of the company representative(s) who can obligate your company contractually. Also, identify those individuals authorized to negotiate with the Government IAW FAR 52.215-1, *Instructions to Offerors – Competitive Acquisition*.

L.6.3.2 Subcontracting Plan (Large Businesses Only)

Each large business Offeror shall submit a Subcontracting Plan as part of their proposal submission (see J47). The plan shall be prepared IAW FAR 52-219-9, *Small Business Subcontracting Plan* and will also be evaluated against the statutory goal applicable to all federal. If the Offeror cannot meet any or all of the goals specified, complete rationale/ justification shall be provided.

Regulated public entities with a Subcontracting Plan that has been filed with the General Services Administration (GSA) pursuant to a GSA Areawide contract may comply with this proposal instruction requirement by incorporating such Subcontracting Plan by reference and including it in their initial offer.

L.6.3.3 Socioeconomic Plan

Offerors shall submit a plan that demonstrates their commitment to providing subcontracting opportunities to small businesses (which include small businesses, small disadvantaged businesses, HUBZone small businesses, women-owned small businesses, and Veteran-owned small businesses) and historically black colleges or universities and minority institutions. All Offerors regardless of business size are required to provide socioeconomic commitment. Small businesses will be credited for the dollar value/percentage of the work they perform as if the work were subcontracted to a small business concern. Work performed by a small business in-house shall be identified in the socioeconomic plan.

SOCIOECONOMIC PLAN: In addition to any subcontracting plan required by Clause 52.219-9, describe the extent of participation of small businesses (which include small businesses, small disadvantaged businesses, HUBZone small businesses, women-owned small businesses, and Veteran-owned small businesses) and historically black colleges or universities and minority institutions in performance of the contract whether as a joint venture, teaming arrangement, or subcontractor. As part of this description the Offeror shall include:

1. A description of the efforts the Offeror will make to assure that small businesses and/or Historically Black Colleges/Universities or Minority Institutions (HBCUs/MIs) will have equal opportunity to compete for subcontracts under any resulting contract.

2. A description of the Offeror's current and planned proposed range for services, supplies, and any other support that will be provided by small businesses and/or Historically Black Colleges/Universities or Minority Institutions (HBCUs/MIs).
3. The specific names of subcontractors to the extent they are known.
4. A description of any future plans the Offeror has for developing additional subcontracting opportunities for small businesses and/or Historically Black Colleges/Universities or Minority Institutions (HBCUs/MIs) during the contract period.
5. Identification of the portion of the Offeror's proposal, as a percentage of dollars, that will be subcontracted to small businesses and/or Historically Black Colleges/Universities or Minority Institutions (HBCUs/MIs).
6. The type of performance data the Offeror would accumulate and provide to the Contracting officer regarding your support of small businesses and/or Historically Black Colleges/Universities or Minority Institutions (HBCUs/MIs) during the period of contract performance.
7. The name and title of the individual principally responsible for ensuring company support to such firms.

L.7 Proposal Preparation Instructions – Volume IV: Price Proposal

L.7.1 Submission of Certified Cost or Pricing Data

If adequate price competition does not exist, as determined by the Contracting Officer, cost or pricing data (see FAR 15.406-2, *Certificate of Current Cost or Pricing Data*) may be required. In the event that cost or pricing data is required, the Offeror shall provide cost or pricing data within 30 calendar days after receipt of the Contracting Officer's request.

L.7.2 General

The Offeror shall submit a separate schedule B (B-1, B-2, B-3 or B-4) for each utility system at each Installation included in the proposal.

L.7.3 Accounting Systems

The Offeror shall describe the accounting system proposed for this contract (see G.3, *Accounting Procedures*).

L.7.4 Organization

Volume IV shall consist of the following sections:

Table of Contents

Section 1: Schedule B-1, B-2, B-3, or B-4 and Price Schedule Data Sheet(s) 1, 2, 3, and 4 (see B.4, *Price Proposal*)

Section 2: Cost Proposal, Introduction, and Pricing Assumptions

Section 3: General Estimating Methodology

Section 4: Cost Risk Assessment

L.7.5 Detailed Instructions for Price Proposal

Table of Contents

The Table of Contents shall specify, by page number, the location of information requested in these instructions.

Section 1 – Price Schedule B-1, B-2, B-3, or B-4

- Include a completed copy of the Price Schedule B-1, B-2, B-3 or B-4 as appropriate and in accordance with B.4, *Price Proposal*.
- Include completed copies of Price Schedule Data Sheets (1, 2, 3, 4) as appropriate and in accordance with B.7, *Price Schedule Data Sheets*.

Section 2 -- Price Proposal, Introduction, and Pricing Assumptions

Offerors shall discuss and quantify to the extent practicable other possible long-term costs and benefits to the United States, if the conveyance affects separate contract relationships, particularly for commodities. To the extent long-term costs and benefits require the cooperation of a third party (e.g., an upstream utility that owns the exclusive physical means to deliver electrical energy, natural gas or water supplies to an installation), the Offeror shall discuss their proposed methodology for cooperation.

Section 3 -- Standard Estimating Methodology

Summarize your standard estimating system or method as it pertains to this acquisition. For Offerors proposing Cost Accounting Standards (CAS) compliant accounting systems as a Uniform System of Accounts (USOA): state whether or not your Disclosure Statement has been determined adequate by the cognizant Government ACO. If determined adequate, provide date of approval. Identify any outstanding CAS violations; provide status/action being taken. If exempted from submitting a CAS Disclosure Statement so state, and identify the reason for the exemption.

Section 4 -- Price Risk Assessment

Submit a risk analysis that identifies price risk areas and the recommended management approach to mitigating/controlling the impact of those price risks on the overall success of the program. Use the sample format below:

Cost Risk Area	Mitigation
Explain the risk element	Explain plans to mitigate

ATTACHMENT 1: PAST PERFORMANCE INFORMATION

Provide the information requested in this form for each reference. Provide comments regarding your performance on the contracts you identify.

A. OFFEROR NAME (COMPANY/DIVISION) AND LOCATION (CITY/STATE):

(Note: If the Company or Division performing this effort is different than the Offeror, or the relevance of this effort to the acquisition is impacted by any Company/Corporate organizational change, note those differences/changes and explain why the past performance should be attributed to the Offeror refer to the "Organizational Structure Change History" you provided as part of your relevant present and past performance volume.)

B. CONTRACT/PROJECT SPECIFICS:

1. Contract/Project Number _____

2. Period of Performance _____

3. \$ Value _____

C. BRIEF DESCRIPTION OF EFFORT AS __PRIME OR __SUBCONTRACTOR.

(Please highlight portions considered most relevant to current acquisition)

D. PRIMARY POINTS OF CONTACT:

Name: _____

Office _____

Address _____

Telephone _____

E-mail _____

Fax _____

E. ADDRESS PROBLEMS ENCOUNTERED ON THIS CONTRACT/PROJECT AND YOUR SOLUTIONS TO THOSE PROBLEMS.

F. Indicate (yes or no) if you owned, operated, maintained the system for the referenced customer. Indicate if the systems were located on the customer's site.

	OWN	OPERATE	MAINTAIN	ON SITE
Sewer Lines				
Pump Stations				
WTP				
IWTP				
Electrical Distribution System				
Water Lines				
Gas Distribution System				

G. ADDRESS ANY TECHNICAL (OR OTHER) AREA ABOUT THIS PROGRAM CONSIDERED UNIQUE.

H. SPECIFY BY NAME ANY KEY INDIVIDUAL(S) WHO PARTICIPATED IN THIS PROGRAM AND IS/ARE PROPOSED TO SUPPORT THE INSTANT ACQUISITION. ALSO, INDICATE THEIR CONTRACTUAL ROLES FOR BOTH ACQUISITIONS.

I. ADDRESS PROBLEMS ENCOUNTERED ON THIS CONTRACT AND YOUR SOLUTIONS TO THOSE PROBLEMS.

J. IDENTIFY IF A SMALL BUSINESS OR DISADVANTAGED BUSINESS PLAN OR GOAL WAS REQUIRED. IF SO, IDENTIFY IN TERMS OF A PERCENTAGE OF THE PLANNED VERSUS ACHIEVED GOAL DURING THE CONTRACT. IF GOALS WERE NOT MET. PLEASE EXPLAIN.

K. DESCRIBE/DISCUSS THE RELEVANCY OF THE SERVICES YOU PROVIDED ON YOUR REFERENCED CONTRACT TO THESE QUESTIONS AS THEY MAY PERTAIN TO THE SPECIFIC UTILITY.

Wastewater System

1. What is the average daily flow (gallons per day) processed for the referenced customer?
2. What is the dollar value of the capital improvements made to the portion of the system used to provide service to the referenced customer for the total period of time service has been rendered?

Time _____ (yrs) \$ _____

3. On an annual basis what percent of the average daily flow is due to Inflow/Outflow for the reference customer? _____ (%)
4. Have capital improvements been completed that directly or indirectly reduced the amount of Inflow/Infiltration for the system serving the referenced customer?

Capital Improvements _____ (\$) % reduction in Inflow/Infiltration _____ (%)

Water System

1. Quantity of w/ww service provided to the customer?
2. Who owns the treatment plant, distribution/collection system?

SECTION M

Evaluation Factors for Award

M.1 Basis for Contract Award

In accordance with 10 U.S.C. 2688, award can only be made if (1) the long-term economic benefit of the conveyance to the United States exceeds the long-term economic cost of the conveyance to the United States, and (2) the conveyance will reduce the long-term costs of the United States for utility services provided by the utility system concerned. These criteria must be met for each separate utility system.

A contract will be awarded to the Offeror who is deemed responsible in accordance with FAR 9.1, whose proposal meets the criteria described in the above paragraph, and whose proposal is determined to represent the best value to the Government based on the evaluation factors listed below. The lowest priced proposal may not necessarily receive the award; likewise, the highest rated technical proposal may not necessarily receive the award.

M.2 Accounting System

An Offeror proposing a B4 pricing option must demonstrate a system of accounts acceptable to the Government.

M.3 Evaluation Factors and Sub-factors

The five evaluation factors are Technical Capability, Past Performance, Risk, Socioeconomic Plan and Price. The evaluation factors and sub-factors are as follows:

Factor 1: Technical Capability: The five sub-factors are approximately equal to each other in terms of importance.

Sub-factor 1: Service Interruption/Contingency Plan: Will be evaluated for the degree to which it ensures an appropriate, efficient and effective response to service interruptions and contingencies.

Sub-factor 2: Operations and Maintenance Plan/Quality Management Plan: Will be evaluated for the degree to which it ensures appropriate, efficient and effective operation and maintenance of the utility system(s) and a superior level of quality.

Sub-factor 3: Capital Upgrades and Renewals and Replacements Plan: Will be evaluated for the degree to which it supports the long-term ability of the utility system(s) to provide utility service(s).

Sub-factor 4: Operational Transition Plan: Will be evaluated for the degree to which it will ensure an effective and efficient transition.

Sub-factor 5: Financial Strength: Will be evaluated for stability and adequacy to meet the long-term capital and cash needs to own, operate, and maintain the utility system(s). This is to be reflected in documented evidence that the Offeror is in sound financial condition and has the ability to secure the necessary financing to meet the financial and capital requirements needs of the utility system both now and in the future.

Factor 2: Past Performance: Will be evaluated based on the degree to which current and previous (within the past 5 years) contract efforts indicate the probability of the Offeror successfully accomplishing the requirements of the statement of work throughout the contract period. The currency and relevancy of the information, source of the information, context of the data, and general trends in Contractor's performance will be considered.

In the case of an Offeror without a record of relevant past performance or for whom information on past performance is not available, the Offeror will not be evaluated favorably or unfavorably on past performance. However, a higher rating may be achieved if the Offeror proposes management personnel who have a successful record of performance on relevant and recent contracts, or if a proposed subcontractor (who will be performing a significant portion of the work) has a "very good" or better performance history on relevant and recent contracts.

Offerors are advised that the Government may use information gained from any source known to the Government to evaluate past performance, provided such information is recent (within the past 5 years). If any past performance information is utilized in evaluating the Offeror's proposal, a past performance questionnaire will be utilized to contact references and rate proposals.

Factor 3: Risk: Will be evaluated using the following Sub-Factors. The following sub-factors are approximately equal in importance to each other.

Sub-factor 1: Performance: Proposals will be evaluated on the degree to which award of a contract would present a risk of degradation of the quality of utility service(s).

Sub-factor 2: Assurance of Long-term Price and Service Stability: Proposals will be evaluated on the degree to which long-term price and service stability are enhanced as a result of the Offeror's proposal.

Sub-factor 3: Price Realism: A cost realism analysis will be performed in accordance with FAR 15.404-1(d)(3). Realism will be based on an evaluation of the information provided in support of the offered price to determine if the prices reflect a clear understanding of the requirements; are consistent with the various elements of the offer's technical proposal; are not unbalanced; and are neither excessive nor insufficient for the effort to be accomplished. Reasonableness will be determined based on prices submitted by the competition, current market conditions, and comparison to the Government estimate, as appropriate.

Sub-factor 4: Other possible long-term costs and benefits to the United States, if the conveyance affects separate contract relationships, particularly for commodities.

Factor 4: Socioeconomic Plan: Will be evaluated based on the degree to which an Offeror's proposal demonstrates the commitment to use, in performance of the offered requirements, Small Businesses (which include Small Businesses, Small Disadvantaged Businesses, HUBZone Small Businesses, Women-owned Small businesses, and Veteran-owned small businesses) and/or Historically Black Colleges/Universities or Minority Institutions (HBCUs/MIs).

NOTE: The Offeror's proposal for socioeconomic support will be made a part of any resulting contract for use in determining how well the Contractor has adhered to its socioeconomic plan.

Factor 5: Price: The total evaluated price will be a consideration in the final source-selection decision.

For Price Schedule B-1, the total evaluated price (Price Schedule and Price Schedule Data Sheets, as applicable) will be the net present value of the stream of monthly payments the Government is expected to make to the Contractor over the 50-year contract period. Each monthly payment will be calculated by crediting the total monthly payment (the Applicable Tariffs including capital upgrade(s)/connection charge(s) and initial renewals and replacements and the recoverable portion of the purchase price expressed in the price proposal) by the purchase price Sub-CLIN AB. Present

values will be calculated using the discount rate specified in Appendix C of OMB Circular A-94 (current issue at the time proposals are due).

For Price Schedules B-2, B-3, and B-4, the total evaluated price (Price Schedules and Price Schedule Data Sheets, as applicable) will be the net present value of the stream of monthly payments the Government is expected to make to the Contractor over the 50-year contract period. Each monthly payment will be calculated by crediting the total monthly payment (the Fixed Monthly Charge including applicable capital upgrades and initial renewals and replacements and the recoverable portion of the purchase price) by the purchase price Sub-CLIN AB. Present values will be calculated using the discount rate specified in Appendix C of OMB Circular A-94 (current issue at the time proposals are due).

M.3.1 Order of Importance for Evaluating Factors and Sub-factors:

In accordance with 10 USC § 2688, authority to privatize a utility system is subject to the action being in the long-term economic interests of the United States Government. That is, the long-term economic benefits must outweigh the long-term economic costs for conveyance to occur (see M.4, *Comparison of Offered Prices with the Government Estimate*). Before a best-value decision can be exercised, Offerors must comply with the basic economic test of 10 USC § 2688. Based on this result, the following factors and sub-factors will then be evaluated.

Technical Capability, Past Performance, and Risk are of approximately equal importance. Socioeconomic Commitment is somewhat less important than Technical Capability, Past Performance and Risk. When combined, Technical Capability, Past Performance, Risk, and Socioeconomic Commitment are somewhat more important than Price.

Technical Capability and Risk will be evaluated at the sub-factor level. Under Technical Capability, Sub-factors 1, 2, 3, 4, and 5 are of approximately equal importance. Under Risk, Sub-factors 1, 2, 3, and 4 are of approximately equal importance.

M.4 Comparison of Offered Prices with the Independent Government Should-Cost Estimate

In accordance with 10 USC § 2688, authority to privatize a utility system is subject to the action being in the long-term economic interest of the Government. To determine whether that criterion is met, the Government will use the Sub-CLIN data in Schedule B-1, B-2, B-3 or B-4 to develop a projected 50-year cash flow. Present values will be calculated at the discount rate specified in Appendix C of the Office of Management and Budget (OMB) Circular A-94 that is current at the time proposals requested herein are due.

The economic analyses conducted will be done in accordance with OMB Circular A-94, Department of Defense Instruction 7041.3, and DEPSECDEF Guidance on Utilities Privatization dated October 9, 2002.